

**SCHOOL DISTRICT**

**OF**

**SHORE REGIONAL**

**SHORE REGIONAL BOARD OF EDUCATION  
WEST LONG BRANCH, NEW JERSEY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**OF THE**

**SHORE REGIONAL BOARD OF EDUCATION**

**WEST LONG BRANCH, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**PREPARED BY**

**SHORE REGIONAL BOARD OF EDUCATION  
FINANCE DEPARTMENT**

**SHORE REGIONAL SCHOOL DISTRICT**

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## **INTRODUCTORY SECTION**



# Shore Regional High School District

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Monmouth Beach – Oceanport – Sea Bright – West Long Branch

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**Dennis W. Kotch**  
Business Administrator

132 Monmouth Park Highway  
West Long Branch, New Jersey 07764-1396

December 18, 2015

Honorable President and  
Members of the Board of Education  
Shore Regional High School District  
County of Monmouth, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Shore Regional High School District (District) for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections as follows:

The Introductory Section includes the Letter of Transmittal, the District's Organizational Chart, and a list of Principal Officials.

The Financial Section includes the General Purpose Financial Statements and Schedules, the Independent Auditor's and the Management's Discussion and Analysis.

The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

The Single Audit Section: The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, as amended and the U.S. Office of Management and Budget Circular A – 133, Audits of State and Local Governments, and the State Treasury Circular A-04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

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Working in collaboration with all stakeholders, we pursue a shared vision of a high quality regional high school that puts *students first*.

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Our mission of the Shore Regional High School District is to produce altruistic graduates who are lifelong learners, equipped with unlimited capacity to compete in a superior manner.

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*"Students First"*

### **REPORTING ENTITY AND ITS SERVICES:**

Shore Regional High School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 and Statement No. 34. All funds and account groups of the District are included in this report. The Shore Regional High School Board of Education and its school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Nine through Twelfth Grade. These services include regular as well as special education disabled youngsters. The District completed the 2014-2015 fiscal year with an enrollment of 625 students.

### **ECONOMIC CONDITION AND OUTLOOK:**

As a result of the District's effort over the past several years, the financial status of the Shore Regional High School continues to remain stable and many accomplishments have occurred as a result. Funds continue to be set aside for capital projects and tax relief.

Proactive planning has allowed the district to increase staff development, review curriculum needs and upgrade instructional materials (as per the curriculum review cycle), as well as provide technological improvements as per the district's technology plan (i.e. a wireless school, SMARTboards, video-conference equipment, mobile labs). As a result, the District is better prepared to meet the challenge of preparing all students for the future.

The above has permitted the District to have a much improved economic condition and a brighter outlook for the future. A "stabilized" budget, and ongoing community support will continue to contribute to this improved economic condition and outlook.

### **MAJOR INITIATIVES:**

The district continued throughout the year to refine, expand or re-evaluate its programs and to provide many opportunities for staff development, in and outside of the district. This initiative is meant to assure that students score above the State averages on State Assessments and above National averages on standardized assessments.

The district has integrated technology components throughout the curriculum. The upgrading of technology hardware and software and the training of staff members is an ongoing project (i.e. becoming a wireless school, video conference equipment, SMARTboards). The District has initiated a 1-to-1 program with every student having his/her own device. Administrative software, library support, and teacher tools (i.e. grading software, website) are continually expanded and improved.

Professional development opportunities occur on many levels. As part of faculty meetings, mandated topics, such as HIB (Harassment, Intimidation, & Bullying), sexual harassment, affirmative actions, right-to-know and blood borne pathogens, are reviewed and updated. Specific staff members attend monthly meetings of organization related to their professional responsibilities.

Professional staff development days are held throughout the year to provide opportunities for staff members to increase their knowledge and skills. During the 2014-2015 school year, staff development days focused on technology, health issues, character education, anti-bullying, writing,

Wilson Reading, autism, ABA, Balanced literacy initiatives and the new “common core” curriculum with an emphasis on differentiated instruction.

Finally, opportunities are provided for staff members to attend workshops to support the district’s initiatives and individual professional improvement plans.

#### **INTERNAL ACCOUNTING CONTROLS:**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits required estimates and judgments by management.

As a recipient of Federal and State financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

As part of the District’s single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to the federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

#### **BUDGETARY CONTROLS:**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue funds, and the debt service funds. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at fiscal year-end.

#### **ACCOUNTING SYSTEM AND REPORTS:**

The District’s accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in “Notes to the Financial Statements, Note 1.”

#### **CASH MANAGEMENT:**

The investment policy of the District is guided in large part by State statute as detailed in "Notes to the Financial Statement, Note 2." The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA") GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law required governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**RISK MANAGEMENT:**

The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

**OTHER INFORMATION:**

**Independent Audit** – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert Hulsart & Company, CPAs, was selected by the Board's audit committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, as amended and the related OMB Circular A – 133 and State Treasury Circular Letter A-04-04 OMB. The auditor's report on the general purpose financial statements and combines and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

**ACKNOWLEDGEMENTS:**

We would like to express our appreciation to the members of the Shore Regional High School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully Submitted,



Thomas Farrell  
Superintendent



Dennis W. Kotch  
Business Administrator/  
Board Secretary

SHORE REGIONAL BOARD OF EDUCATION  
WEST LONG BRANCH, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2015

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Ronald O'Neill, President	2017
David Baker, Vice President	2016
Elizabeth Garrigal	2017
Mary Lynn Mango	2015
Susanna Markson	2016
Diane E. Merla	2016
Richard McKenna	2015
Frank J. Pingitore	2016
Tadeusz "Ted" Szczurek	2015

Other Officials

Thomas Farrell, Superintendent/Principal

Dennis W. Kotch, CPA, Board Secretary/Business Administrator/Treasurer

Alexis Tucci, Esq., Solicitor

SHORE REGIONAL BOARD OF EDUCATION  
WEST LONG BRANCH, NEW JERSEY

CONSULTANTS AND ADVISORS

JUNE 30, 2015

Accountant/Auditor

Robert A. Hulsart & Co.  
2807 Hurley Pond Road  
Wall, NJ 07719

Attorney

Alexis Tucci, Esq.  
Attorney at Law  
464 Broadway  
Long Branch, NJ 07740

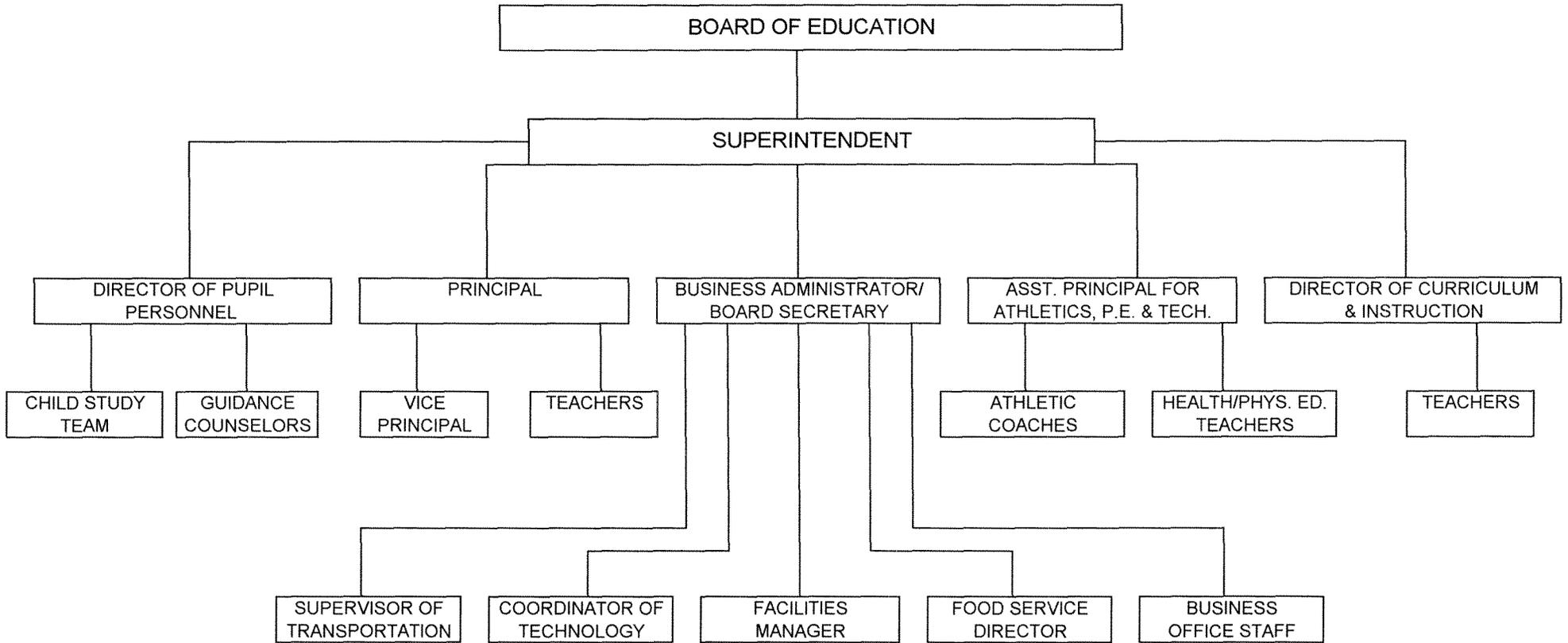
Dennis Collins, Esq.  
Attorney at Law  
1451 Route 34 South, Suite 303  
Farmingdale, NJ 07727

Official Depositories

MBIA Municipal Investors Service Corporation  
113 King Street  
Armonk, NY 10504

Investors Savings Bank  
2426 Highway 34 North  
Manasquan, NJ 08736

SHORE REGIONAL HIGH SCHOOL DISTRICT  
ORGANIZATIONAL CHART



**FINANCIAL SECTION**

# Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

8.

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)

ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.

ROBERT A. HULSART, JR., C.P.A., P.S.A.

RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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Wall, New Jersey 07719-1409  
(732) 681-4990

## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Shore Regional School District  
County of Monmouth  
West Long Branch, New Jersey

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Shore Regional School District, in the County of Monmouth, State of New Jersey, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Shore Regional School District, in the County of Monmouth, State of New Jersey, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standard generally accepted in the United States of America. In our opinion, the accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid respectively, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2015 on our consideration of the Shore Regional's Board of Education internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Shore Regional Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

---

**Robert A. Hulsart**  
**Licensed Public School Accountant**  
**No. 322**  
**Robert A. Hulsart and Company**  
**Wall Township, New Jersey**

December 18, 2015

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

**SHORE REGIONAL HIGH SCHOOL DISTRICT**

**MONMOUTH COUNTY, NEW JERSEY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The discussion and analysis of Shore Regional High School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; it should be read in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

**Financial Highlights**

Key Financial highlights for the 2014-2015 fiscal year are as follows:

- General revenues accounted for \$17,707,157 in revenue or 97% percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$545,125 or 3% percent to total revenues of \$18,252,282.
- The School District had \$17,039,585 in expenses; only \$545,125 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$17,707,157 were adequate to provide for these programs.
- The General Fund had \$16,882,983 in revenues and \$18,047,515 in expenditures. The General Fund's balance decreased \$1,178,025 over 2014. This decrease was anticipated by the Board of Education.

**Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Shore Regional High School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole school district, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Shore Regional High School District, the General Fund is the most significant fund, with the Special Revenue Fund and Capital Project's Fund also having significance.

The School Board's auditor has provided assurance in his Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

## **Reporting the School District as a Whole**

### **Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, “How did we do financially during the 2014-2015 fiscal year?” The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net position and changes in position. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District’s property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- **Governmental activities** – All of the School District’s programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund is reported as a business activity.

## **Reporting the School District’s Most Significant Funds**

### **Fund Financial Statements**

The analysis of the School District’s major (all) funds begins on Exhibit A-1. Fund financial reports provide detailed information about the School District’s major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District’s most significant funds. The School District’s major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

The School District’s activities are reported in Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the School District’s general government operations and the basic services it provides. Governmental Fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and Governmental Funds is reconciled in the financial statements.

## Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

## The School District as a Whole

Table 1 provides a summary of the School District's net position comparisons of fiscal year 2015 with 2014.

**Table 1**  
**Net Position**

	<u>2015</u>	<u>2014</u>
<b><u>Assets</u></b>		
Current and Other Assets	\$ 2,208,554	3,275,466
Capital Assets, Net	<u>18,872,222</u>	<u>17,586,511</u>
Total Assets	<u>\$ 21,080,776</u>	<u>20,861,977</u>
<b><u>Deferred Outflows of Resources</u></b>		
Contribution to Pension Plans	<u>\$ 248,470</u>	<u>                    </u>
<b><u>Deferred Inflows of Resources</u></b>		
Pension Deferrals	<u>\$ 145,833</u>	<u>                    </u>
<b><u>Liabilities</u></b>		
Current Liabilities	\$ 1,138,656	1,147,021
Other Liabilities	<u>15,316,167</u>	<u>11,922,083</u>
Total Liabilities	<u>\$ 16,454,823</u>	<u>13,069,104</u>
<b><u>Net Position</u></b>		
Invested in Capital Assets, Net of Debt	\$ 7,127,297	4,730,308
Restricted	1,614,472	1,446,571
Unrestricted	<u>(4,013,179)</u>	<u>1,615,994</u>
Total Net Position	<u>\$ 4,728,590</u>	<u>7,792,873</u>

Table 2 shows the changes in net position for fiscal year 2015. Revenue and expense comparisons to fiscal year 2014.

**Table 2**  
**Changes in Net Position**

	<u>2015</u>	<u>2014</u>
<b><u>Revenues</u></b>		
Program Revenues		
Charges for Services	\$ 331,330	289,318
Operating Grants and Contributions	213,795	210,902
General Revenues		
Property Taxes	14,685,060	14,642,651
Grants and Entitlements	2,877,415	2,641,042
Other	<u>144,682</u>	<u>432,481</u>
Total Revenues	<u>18,252,282</u>	<u>18,216,394</u>
<b><u>Program Expenses</u></b>		
Instruction	5,871,542	5,362,085
Support Services		
Pupils and Instructional Staff	3,436,457	3,327,038
General Administration, School Administration, Business	1,002,709	814,270
Operations and Maintenance of Facilities	1,557,393	1,593,535
Pupil Transportation	1,098,444	1,413,807
Employee Benefits	3,384,373	3,223,792
Unallocated Depreciation	100,663	451,693
Interest on Long-Term Debt	392,136	387,238
Food Service	<u>195,868</u>	<u>200,746</u>
Total Expenses	<u>17,039,585</u>	<u>16,774,204</u>
Increase/(Decrease) in Net Position	<u>\$ 1,212,697</u>	<u>1,442,190</u>

### **Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 80% percent of revenues for governmental activities for the Shore Regional High School District for fiscal year 2015. The District's total revenues were \$18,063,400 for the fiscal year ended June 30, 2015. Federal, state, local grants and other local revenues accounted for another 20%.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

### **Governmental Activities (Continued)**

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Extracurricular activities includes expenses related to student activities provided by the School District which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District.

Other includes unallocated depreciation and amortization.

### **The School Board' Funds**

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allows the School Board to demonstrate its stewardship over and accountability for resources received from the Borough of Shore Regional's taxpayer's and other entities, including the State of New Jersey and the Federal Government. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2015, it reported a combined net position balance of \$8,715,881. The Reconciliation of the Statement of Revenue Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities presents the reader with a detailed explanation of the differences between the net change in fund balances and changes in net assets.

The School Board's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

## The School Board' Funds (Continued)

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in the section of the CAFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund since it practices conservative budgetary practices in which revenues are forecasted very conservatively and expenditures are budgeted with worst-case scenarios in mind.

## Capital Assets

At June 30, 2015, the School Board had approximately \$18,857,526 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Table II below shows the net book value of capital assets at the end of the 2015 fiscal year.

	<b>Governmental Activities</b>
Table II	
Capital Assets at June 30, 2015	
Land	\$ 485,000
Site Improvements	2,459,985
Buildings	4,349,265
Machinery and Equipment	<u>11,563,276</u>
Total	<u>\$ 18,857,526</u>

## Debt Administration

At June 30, 2015, the School District had \$16,045,353 as outstanding debt. Of this amount \$210,500 is for compensated absences, \$434,925 is a capital lease, and the balance of \$12,952,848 is for bonds for school construction and CDL loans.

There is also a deferred pension liability of \$2,447,080.

## Economic Factors and Next Year's Budget

The Shore Regional High School District is in very good financial condition presently. Future finances are not without challenges as the District continues to grow and state funding is decreased.

The \$8,794,353 of unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills today, including all of the School Board's noncurrent liabilities such as compensated absences, the School Board would have a balance of \$8,794,353.

### **Economic Factors and Next Year's Budget (Continued)**

At this time, the most important factor affecting the budget is the unsettled situation with State Aid. While State aid may be frozen, the District may experience growth in student population. The tax levy will be the area that will need to absorb any increase in budget obligations.

The Shore Regional High School District is a highly competitive 9-12 high school. The School District is financially sound, has a stable population and possesses a quality organizational structure. The School District has been ranked within the top 100 schools in New Jersey.

Shore Regional is composed of four municipalities whose share of supporting the regional school is controlled by a percent share calculation. The formula is composed of a yearly calculation of the percent students within their school and the amount of assessed evaluation.

The goal is to provide a high-quality education, in a sound, safe environment, within a backdrop of federal, state and local funding issues. This will enable Shore Regional to maintain its place as one of the best schools in New Jersey.

In conclusion, the Shore Regional High School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

### **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Mr. Dennis Kotch, CPA, School Business Administrator/Board Secretary at Shore Regional High School District Board of Education, 132 Monmouth Park Highway, West Long Branch, NJ 07764.

## **BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS – A**

STATEMENT OF NET POSITION

Exhibit A-1

JUNE 30, 2015

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b><u>Assets</u></b>			
Receivables, Net	\$ 1,735,881		1,735,881
Inventory		3,759	3,759
Restricted Assets:			
Cash and Cash Equivalents	158,288		158,288
Capital Reserve Account - Cash	310,626		310,626
Capital Assets Not Depreciated	485,000		485,000
Capital Assets, Net	<u>18,372,526</u>	<u>14,696</u>	<u>18,387,222</u>
Total Assets	<u>\$ 21,062,321</u>	<u>18,455</u>	<u>21,080,776</u>
<b><u>Deferred Outflow of Resources</u></b>			
Contribution to Pension Plan	<u>\$ 248,470</u>		<u>248,470</u>
<b><u>Deferred Inflow of Resources</u></b>			
Pension Deferrals	<u>\$ 145,833</u>		<u>145,833</u>
<b><u>Liabilities</u></b>			
Accounts Payable	\$ 184,134	96,927	281,061
Accrued Interest	100,380		100,380
Deferred Revenue	28,029		28,029
Noncurrent Liabilities:			
Due Within One Year	729,186		729,186
Due Beyond One Year	<u>15,316,167</u>		<u>15,316,167</u>
Total Liabilities	<u>\$ 16,357,896</u>	<u>96,927</u>	<u>16,454,823</u>
<b><u>Net Position</u></b>			
Invested in Capital Assets, Net of Related Debt	\$ 7,112,601	14,696	7,127,297
Restricted For:			
Debt Service	206,087		206,087
Capital Projects	231,529		231,529
Other Purposes	1,176,856		1,176,856
Unrestricted	<u>(3,920,011)</u>	<u>(93,168)</u>	<u>(4,013,179)</u>
Total Net Position	<u>\$ 4,807,062</u>	<u>(78,472)</u>	<u>4,728,590</u>

The accompanying notes to financial statements are an integral part of this statement.

**SHORE REGIONAL SCHOOL DISTRICT**

Exhibit A-2

Sheet 1 of 2

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>			
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b><u>Functions/Programs</u></b>						
Governmental Activities:						
Instruction:						
Regular	\$4,103,905			(4,103,905)		(4,103,905)
Special Education	756,844		199,818	(557,026)		(557,026)
Other Instruction	1,010,793			(1,010,793)		(1,010,793)
Support Services:						
Tuition	1,823,538	142,500		(1,681,038)		(1,681,038)
Student & Instruction Related Services	1,612,919		13,977	(1,598,942)		(1,598,942)
General Administrative Services	364,002			(364,002)		(364,002)
School and Business Administrative Services	638,707			(638,707)		(638,707)
Plant Operations and Maintenance	1,557,393			(1,557,393)		(1,557,393)
Pupil Transportation	1,098,444			(1,098,444)		(1,098,444)
Unallocated Benefits	3,281,736			(3,281,736)		(3,281,736)
Interest on Long-Term Debt	392,136			(392,136)		(392,136)
Unallocated Depreciation	100,663			(100,663)		(100,663)
Total Government Activities	<u>16,741,080</u>	<u>142,500</u>	<u>213,795</u>	<u>(16,384,785)</u>	<u>-</u>	<u>(16,384,785)</u>
Business-Type Activities:						
Food Service	<u>195,868</u>	<u>188,830</u>			<u>(7,038)</u>	<u>(7,038)</u>
Total Business-Type Activities	<u>195,868</u>	<u>188,830</u>	<u>-</u>	<u>-</u>	<u>(7,038)</u>	<u>(7,038)</u>
Total Primary Government	<u>16,936,948</u>	<u>331,330</u>	<u>213,795</u>	<u>(16,384,785)</u>	<u>(7,038)</u>	<u>(16,391,823)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

SHORE REGIONAL SCHOOL DISTRICT

Exhibit A-2

Sheet 2 of 2

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2015

	Program Revenues		Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purpose, Net				\$ 14,047,137	14,047,137	
Taxes Levied for Debt Service				637,923	637,923	
Transportation Fees				133,853	133,853	
Federal and State Aid Not Restricted				2,877,415	2,877,415	
Miscellaneous Income				10,777	52	10,829
Total General Revenues, Special Items and Transfers				<u>17,707,105</u>	<u>52</u>	<u>17,707,157</u>
Other Financing Sources (Uses):						
Transfer to Food Service				<u>(13,493)</u>	<u>13,493</u>	
Change in Net Position				1,308,827	6,507	1,315,334
Restatement for Pensions				(2,447,080)		(2,447,080)
Net Position - Beginning				<u>5,945,315</u>	<u>(84,979)</u>	<u>5,860,336</u>
Net Position - Ending				<u>\$ 4,807,062</u>	<u>(78,472)</u>	<u>4,728,590</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**FUND FINANCIAL STATEMENTS – B**

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b><u>Assets</u></b>					
Cash and Cash Equivalents-Restricted	\$ 31,298		231,529	206,087	468,914
Interfund Receivable	111,310				111,310
Accounts Receivable	667,620	143,326			810,946
Receivables from Other Governments	924,935				924,935
Total Assets	<u>\$ 1,735,163</u>	<u>143,326</u>	<u>231,529</u>	<u>206,087</u>	<u>2,316,105</u>
<b><u>Liabilities and Fund Balance</u></b>					
Liabilities:					
Accounts Payable	\$ 180,147	3,971			184,118
Interfund Payable		111,310			111,310
Due to New Jersey		16			16
Deferred Revenue		28,029			28,029
Total Liabilities	<u>180,147</u>	<u>143,326</u>	<u>-</u>	<u>-</u>	<u>323,473</u>
Fund Balance:					
Restricted For:					
Capital Reserve Account	310,626				310,626
Assigned To:					
Other Purposes	46,716				46,716
Excess Surplus	308,251				308,251
Designated by the Board of Education for Subsequent Year's Expenditures	511,263			206,015	717,278
Unassigned:					
General Fund	378,160				378,160
Capital Projects Fund			231,529		231,529
Debt Service Fund				72	72
Total Fund Balances	<u>1,555,016</u>	<u>-</u>	<u>231,529</u>	<u>206,087</u>	<u>1,992,632</u>
Total Liabilities and Fund Balance	<u>\$ 1,735,163</u>	<u>143,326</u>	<u>231,529</u>	<u>206,087</u>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$29,000,733 and the accumulated depreciation is \$10,143,207.

18,857,526

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(16,045,353)

Deferred outflow of resources - contributions to the pension plan

248,470

Deferred inflow of resources - acquisition of assets applicable to future reporting periods

(145,833)

Accrued Interest

(100,380)

Net Position of Governmental Activities

\$ 4,807,062

The accompanying Notes to Financial Statements are an integral part of this statement.

**SHORE REGIONAL SCHOOL DISTRICT**

**Exhibit B-2**

**Sheet 1 of 2**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b><u>Revenues</u></b>					
Local Sources:					
Local Tax Levy	\$ 14,047,137			637,923	14,685,060
Tuition Charges	142,500				142,500
Transportation Fees	133,853				133,853
Miscellaneous	10,705	4,035		72	14,812
Total Local Sources	14,334,195	4,035	-	637,995	14,976,225
State Sources	1,727,364	53,991		328,627	2,109,982
Federal Sources	821,424	155,769			977,193
Total Revenues	16,882,983	213,795	-	966,622	18,063,400
<b><u>Expenditures</u></b>					
Current:					
Regular Instruction	4,103,905				4,103,905
Special Education Instruction	557,026	199,818			756,844
Other Instruction	1,010,793				1,010,793
Support Services and Undistributed Costs:					
Tuition	1,823,538				1,823,538
Student and Instruction Related Services	1,598,942	13,977			1,612,919
General Administrative Services	364,002				364,002
School and Other Administrative Services	638,707				638,707
Plant Operations and Maintenance	1,557,393				1,557,393
Pupil Transportation	1,098,444				1,098,444
Allocated\Unallocated Benefits	3,381,453				3,381,453
Debt Service:					
Principal				570,000	570,000
Interest and Other Charges				396,550	396,550
Capital Outlay	1,913,312				1,913,312
Total Expenditures	18,047,515	213,795	-	966,550	19,227,860

**SHORE REGIONAL SCHOOL DISTRICT**

**Exhibit B-2**

**Sheet 2 of 2**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2015**

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>	<b><u>Capital Projects Fund</u></b>	<b><u>Debt Service Fund</u></b>	<b><u>Total Governmental Funds</u></b>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,164,532)</u>	<u>-</u>	<u>-</u>	<u>72</u>	<u>(1,164,460)</u>
Other Financing Sources/(Uses)					
Transfer to Cover Deficit - Food Service	<u>(13,493)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13,493)</u>
Total Other Financing Sources/(Uses)	<u>(13,493)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(13,493)</u>
Net Change in Fund Balances	(1,178,025)	-	-	72	(1,177,953)
Fund Balance - July 1	<u>2,733,041</u>	<u>-</u>	<u>231,529</u>	<u>206,015</u>	<u>3,170,585</u>
Fund Balance - June 30	<u>\$ 1,555,016</u>	<u>-</u>	<u>231,529</u>	<u>206,087</u>	<u>1,992,632</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES

AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Exhibit B-3

TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2015

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (1,177,953)

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

Capital Outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation Expense	(100,663)	
Capital Outlays	<u>1,913,312</u>	1,812,649

Liquidation of noncurrent liabilities are reflected in this fund's financial statements as an expense (use of current financial resources) but are not reported in the statement of activities. 570,000

Generally expenditures recognized in this fund's financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when they are incurred. (2,920)

Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position 248,470

Pension related deferrals (145,833)

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental fund, interest is reported when due. 4,414

Change in Net Position of Governmental Activities (A-2) \$ 1,308,827

The accompanying Notes to Financial Statements are an integral part of this statement.

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

JUNE 30, 2015

	<u>Enterprise Fund Totals</u>
<u>Assets</u>	
Current Assets:	
Inventories	\$ 3,759
Total Current Assets	<u>3,759</u>
Noncurrent Assets:	
Furniture, Machinery & Equipment	162,302
Less: Accumulated Depreciation	<u>(147,606)</u>
Total Noncurrent Assets	<u>14,696</u>
Total Assets	<u>\$ 18,455</u>
<u>Liabilities</u>	
Accounts Payable	<u>\$ 96,927</u>
<u>Net Position</u>	
Invested in Capital Assets net of Related Debt	\$ 14,696
Unrestricted	<u>(93,168)</u>
Total Net Position	<u>\$ (78,472)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITIONPROPRIETARY FUNDSJUNE 30, 2015

	<u>Enterprise Fund Totals</u>
Operating Revenues:	
Charge for Services:	
Daily Sales	\$ 188,830
Total Operating Revenues	<u>188,830</u>
Operating Expenses:	
Cost of Sales	64,216
Salaries & Benefits	73,467
Management & Administrative Fees	19,000
Purchased Services	14,076
Repairs	1,282
Computers & Software	2,439
Miscellaneous	13,043
Depreciation	8,345
Total Operating Expenses	<u>195,868</u>
Operating Income (Loss)	(7,038)
Nonoperating Revenues (Expenses):	
Board Subsidy	13,493
Interest Revenue	52
Total Nonoperating Revenues (Expenses)	<u>13,545</u>
Change in Net Position	6,507
Total Net Position - Beginning	<u>(84,979)</u>
Total Net Position - Ending	<u>\$ (78,472)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**SHORE REGIONAL SCHOOL DISTRICT**

27.

Exhibit B-6

**STATEMENT OF CASH FLOWS**

**PROPRIETARY FUNDS**

**JUNE 30, 2015**

	<b>Enterprise Fund Totals</b>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 188,830
Payments to Employees	(73,467)
Payments to Suppliers	(128,908)
Net Cash Provided (Used by) Operating Activities	<u>(13,545)</u>
Cash Flows from Non-Capital Activities:	
Board Subsidy	<u>13,493</u>
Cash Flows from Investing Activities:	
Interest Received	<u>52</u>
Net Increase (Decrease) in Cash & Cash Equivalents	-
Balances - Beginning of Year	<u>-</u>
Balances - End of Year	<u>\$ -</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income	\$ (7,038)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used by) Operating Activities	
Depreciation	8,345
Increase/(Decrease) in Accounts Payables	(12,746)
(Increase)/Decrease in Inventories	<u>(2,106)</u>
Net Cash Provided (Used by) Operating Activities	<u>\$ (13,545)</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

SHORE REGIONAL SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

Exhibit B-7

FIDUCIARY FUNDS

JUNE 30, 2015

	<u>Unemployment Compensation Trust</u>
Assets:	
Cash and Cash Equivalents	\$ 5,901
Total Assets	<u>\$ 5,901</u>
Net Position:	
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 5,901</u>
Total Net Position	<u>\$ 5,901</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Exhibit B-8

FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2015

	<u>Unemployment Compensation Trust</u>
<b><u>Additions</u></b>	
Contributions:	
Plan Member	\$ 29,474
Total Contributions	<u>29,474</u>
Investment Earnings:	
Interest	<u>2</u>
Net Investments Earnings	<u>2</u>
Total Additions	<u>29,476</u>
<b><u>Deductions</u></b>	
Unemployment Claims	<u>23,575</u>
Total Deductions	<u>23,575</u>
Change in Net Position	5,901
Net Position - Beginning of Year	<u>          </u>
Net Position - End of the Year	<u>\$ 5,901</u>

The accompanying Notes to Financial Statements are an integral part of this statement.

**NOTES TO FINANCIAL STATEMENTS**

**BOARD OF EDUCATION**  
**SHORE REGIONAL SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2015**

**NOTE 1: Summary of Significant Accounting Policies**

The financial statements of the Board of Education (Board) of the Shore Regional School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

**A. Reporting Entity:**

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds and account groups of the District over which the Board exercises operating control. The operations of the District include an elementary and a high school located in Shore Regional Borough. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore the District is not includable in any other reporting entity on the basis of such criteria.

The District receives high school students from West Long Branch, Oceanport, Monmouth Beach and Sea Bright on a tuition basis which represent 100% of the high school students.

**B. Government-Wide Financial Statements**

The focus of government-wide financial statements is on the overall financial position and activities of the government as a whole. These financial statements are constructed around the concept of a primary government as defined by GASB-14 (The Financial Reporting Entity) and therefore encompass the primary government and its component units except for fiduciary funds of the primary government and component units that are fiduciary in nature. Financial statements of fiduciary funds are not presented in the government-wide financial statements but are included in the fund financial statements.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**B. Government-Wide Financial Statements (Continued)**

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include (1) charges for services which report fees and other charges to users of the District's services and (2) operating grants and contributions. These revenues are subject to externally imposed restrictions to these program uses. Tax levies and other revenue sources not properly included with program revenues are reported as general revenues.

**Fund Financial Statements**

Fund financial statements are provided for governmental, proprietary and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP). The District's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The government-wide and proprietary fund financial statements apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. County tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the county tax levy. In general, other revenues are recognized when cash is received.

NOTE 1: Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

D. Fund Accounting:

The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. Each fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

Governmental Fund Types

General Fund: The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

Capital Projects Fund: the capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Debt Service Fund: The debt service fund is used to account for the accumulation of resources for, and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued):**

**Proprietary Fund Type**

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

**Fiduciary Fund Types**

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

Unemployment Compensation Trust Fund: The trust fund is used to account for assets held under the terms of a formal trust agreement. The District reimburses the costs of unemployment benefits paid by the New Jersey Department of Labor.

Agency Funds (Payroll and Student Activities Fund): Agency funds are used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

**E. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. Budgets are prepared using the modified accrual basis of accounting; the legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2015 were insignificant.

The Public School Education Act of 1975 limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**E. Budgets/Budgetary Control (Continued):**

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. Individual transfers were not material in relation to the original appropriations. All uncommitted budget appropriations lapse at year-end.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

**F. Encumbrances:**

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**G. Short-Term Interfund Receivables/Payables:**

Short-Term interfund receivables/payables represents amounts that are owed, other than charges for good or services rendered to/from a particular fund in the District and that are due within one year.

**H. Inventories and Prepaid Expenses**

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase. The value of inventories remaining at the end of the fiscal year is not included on the balance sheet.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**H. Inventories and Prepaid Expenses (Continued)**

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

**I. Capital Assets and Depreciation**

The District's property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

The District contracted with an outside service company during the 2015 fiscal year to provide a report with a comprehensive detail of capital assets and depreciation. The report included capital assets purchased during the 2014-2015 fiscal year and prior with a historical cost of \$2,000 or more. Accumulated depreciation for fiscal year 2015, fiscal year 2015 depreciation expense, total accumulated depreciation and book values were also provided. The district upgraded for subsequent years with its in-house system. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

Capital asset activity for the year ended June 30, 2015 was as follows:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2015</u>
Governmental Activities:				
Land	\$ 485,000	_____	_____	485,000
Depreciable Assets:				
Site Improvements	2,058,340	893,307		2,951,647
Buildings & Bldg. Improvements	9,978,568	128,171		10,106,739
Machinery & Equipment	<u>15,176,820</u>	<u>280,526</u>	_____	<u>15,457,346</u>
Total	<u>27,213,728</u>	<u>1,302,004</u>	_____	<u>28,515,732</u>

NOTE 1: Summary of Significant Accounting Policies (Continued)I. Capital Assets and Depreciation (Continued)

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2015</u>
Less: Accumulated Depreciation:				
Sites Improvements	(432,671)	(58,991)		(491,662)
Buildings & Bldg. Improvements	(5,753,858)	(3,616)		(5,757,474)
Machinery & Equipment	<u>(3,856,015)</u>	<u>(38,055)</u>	<u>          </u>	<u>(3,894,070)</u>
Total Accumulated Depreciation	<u>10,042,544</u>	<u>(100,662)</u>	<u>          </u>	<u>(10,143,206)</u>
 Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	 <u>17,171,184</u>	 <u>1,201,342</u>	 <u>          </u>	 <u>18,372,526</u>
 Governmental Activities Capital Assets (Net)	 <u>\$ 17,656,184</u>	 <u>1,201,342</u>	 <u>          </u>	 <u>18,857,526</u>
 Business-Type Activities:				
Capital Assets Being Depreciated:				
Equipment	\$ 162,302			162,302
Less: Accumulated Depreciation	<u>(139,262)</u>	<u>(8,344)</u>	<u>          </u>	<u>(147,606)</u>
 Business-Type Capital Assets (Net)	 <u>\$ 23,040</u>	 <u>(8,344)</u>	 <u>          </u>	 <u>14,696</u>

Accumulated depreciation was allocated to governmental activities as follows:

	<u>Prior Years'</u> <u>Accumulated</u> <u>Depreciation</u>	<u>Current Year</u> <u>Depreciation</u> <u>Expense</u>	<u>Total</u> <u>Accumulated</u> <u>Depreciation</u>
Unallocated	<u>\$ 10,042,544</u>	<u>100,663</u>	<u>10,143,207</u>

**NOTE 1: Summary of Significant Accounting Policies (Continued)****J. Compensated Absences**

District employees are permitted, within certain limitations, to accrue vacation and sick leave in varying amounts under the Districts personnel policies and may be paid at a later date according to contractual agreements.

The liability for vested compensated absences of the governmental fund types is recorded in the government-wide financial statements as a non-current liability. Governmental funds report only matured compensated absences payable to currently terminating employees and are included in wages and benefits payable

**K. Deferred Revenue**

Deferred revenue in the general and special revenue funds represent cash which has been received but not yet earned. Deferred revenue in the general fund represents monies received for fiscal year 2014. See Note 1(F) regarding the special revenue fund.

**L. Fund Equity**

The governmental fund financial statements report reserved fund balance for amounts not available for appropriation or legally restricted for specified purposes. The general fund reserve for restricted purposes includes net assets relating to capital reserve (See Note 15).

**NOTE 2: Cash and Cash Equivalents and Investments**

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, and short term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

**Deposits**

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

**NOTE 2: Cash and Cash Equivalents and Investments (Continued)****Deposits (Continued)**

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

**Investments**

New Jersey statutes permit the District to purchase the following types of securities:

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or any United States Bank for cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

As of June 30, 2015, cash and cash equivalents and investments of the District consisted of the following:

	<b>Cash and Cash Equivalents</b>
Checking, Money Market Accounts And Certificate of Deposit	<u>\$ 658,985</u>

During the period ended June 30, 2015, the District did not hold any investments. The carrying amount of the District's cash and cash equivalents at June 30, 2015 was \$658,985 and the bank balance was \$1,208,671. Of the bank balance, \$250,000 was covered by federal depository insurance and \$958,671 was covered by a collateral pool maintained by the banks as required by New Jersey statutes.

**Credit Risk Categories**

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following two categories described below:

FDIC	\$ 250,000
GUDPA	<u>958,671</u>
	<u>\$ 1,208,671</u>

**NOTE 3: General Long-Term Debt**

During the fiscal year ended June 30, 2015, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>	<u>Long-Term</u> <u>Portion</u>	<u>2015-16</u> <u>Payment</u>
Compensated						
Absences Payable	\$ 207,580	2,920		210,500	210,500	
Capital Leases	663,828		228,903	434,925	290,739	144,186
Bonds Payable	11,880,000	1,642,848	570,000	12,952,848	12,367,848	585,000
Pension Liability	<u>                    </u>	<u>2,447,080</u>	<u>                    </u>	<u>2,447,080</u>	<u>2,447,080</u>	<u>                    </u>
	<u>\$ 12,751,408</u>	<u>4,092,848</u>	<u>798,903</u>	<u>16,045,353</u>	<u>15,316,167</u>	<u>729,186</u>

**A. Bonds Payable**

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are of general obligation bonds.

1. Replacement of heating, ventilation and air conditioning system on October 7, 2009 for \$13,999,000 at interest of 2.25% to 4% with a balance of \$11,310,000 maturing on September 15, 2029.

Principal and interest due on serial bonds outstanding is as follows:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 585,000	383,557	968,557
2017	600,000	369,475	969,475
2018	620,000	352,675	972,675
2019	640,000	333,775	973,775
2020	660,000	314,275	974,275
2021-2025	3,685,000	1,226,874	4,911,874
2026-2030	<u>4,520,000</u>	<u>466,363</u>	<u>4,986,363</u>
	<u>\$ 11,310,000</u>	<u>3,446,994</u>	<u>14,756,994</u>

**NOTE 3: General Long-Term Debt (Continued)****A. Bonds Authorized But Not Issued**

As of June 30, 2015, the Board had no authorized but not issued bonds.

**B. Capital Leases Payable:**

The District has a lease from Konica Copiers for copying machines. These capital leases are for a term of five years. The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2015.

<u>Year Ended</u> <u>June 30</u>	<u>Amount</u>
2016	\$ 144,186
2017	144,454
2018	73,100
2019	<u>73,185</u>
Present Value of Net Minimum Lease Payments	<u>\$ 434,925</u>

**Summary of Leases**

Various equipment at 4.00% maturing on June 30, 2017 with a balance of \$143,086 at June 30, 2015.

Various equipment at 4.00% maturing on June 30, 2019 with a balance of \$291,839 at June 30, 2015.

**NOTE 4: Pension Plans**

**Description of Plans** – All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teacher's Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

**NOTE 4: Pension Plans (Continued)**

**Teachers' Pension and Annuity Fund (TPAF)** – The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Public Employees' Retirement System (PERS)** – The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**Vesting and Benefit Provisions** – The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provide for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provision of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contribution. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

**NOTE 4: Pension Plans (Continued)**

**Significant Legislation** - During the year ended June 30, 1997, legislation was enacted Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997), changed the asset valuation method from market related value to full-market value. This legislation also contains a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

**Funding Policy** – The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.78% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Legislation enacted during 1993 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 years but less than 20 years of service. The Board will assume the increased cost for the early retirement as it affects their districts.

During the year ended June 30, 2015, the State of New Jersey contributed \$751,611 to the TPAF for normal and post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$454,313 during the year ended June 30, 2015 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditure in accordance with GASB 24.

**Three-Year Trend Information for PERS**

<u>Year</u>	<u>Annual</u>	<u>Percentage</u>	<u>Net</u>
<u>Funding</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
6/30/13	\$ 100,295	100%	0
6/30/14	101,987	100%	0
6/30/15	132,214	100%	0

**NOTE 4: Pension Plans (Continued)****Three-Year Trend Information for TPAF (Paid On-Behalf of the District)**

<b>Year</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
6/30/13	\$ 733,956	100%	0
6/30/14	561,018	100%	0
6/30/15	751,611	100%	0

**Pension Expense Deferred Outflows/Inflows – PERS**

For the year ended June 30, 2015, the District recognized pension expense of \$132,214. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$	
Changes of Assumptions	76,949	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		145,833
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	39,307	
District Contributions Subsequent to the Measurement Date	<u>132,214</u>	<u>          </u>
Total	<b><u>\$ 248,470</u></b>	<b><u>145,833</u></b>

\$248,470 reported as deferred outflows of resources related to pensions resulting from school district, charter school, or renaissance school project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net pension liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

**Additional Information**

Collective balances at December 31, 2013 and 2014 are as follows:

	<b><u>Dec. 31, 2014</u></b>	<b><u>Dec. 31, 2013</u></b>
Collective Deferred Outflows of Resources	\$ 248,470	
Collective Deferred Inflows of Resources	145,833	
Collective Net Pension Liability	2,447,080	2,451,423
District's Proportion	.01307%	.01283%

**NOTE 4: Pension Plans (Continued)****Components of Net Pension Liability**

The components of the net pension liability of the participating employers for PERS as of June 30, 2014 and 2013 are as follows:

	<b>2014</b>		
	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 28,777,950,141	39,071,470,586	67,849,420,727
Plan Fiduciary Net Position	<u>8,650,846,191</u>	<u>20,348,735,583</u>	<u>28,999,581,774</u>
Net Pension Liability	<u>\$ 20,127,103,950</u>	<u>18,722,735,003</u>	<u>38,849,838,953</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	30.06%	52.08%	42.74%
	<b>2013</b>		
	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 27,515,277,069	37,272,295,162	64,787,572,231
Plan Fiduciary Net Position	<u>8,216,653,950</u>	<u>18,160,308,251</u>	<u>26,376,962,201</u>
Net Pension Liability	<u>\$ 19,298,623,119</u>	<u>19,111,986,911</u>	<u>38,410,610,030</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	29.86%	48.72%	40.71%

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2103, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	3.01%
Salary Increases:	
2012-2021	2.15% - 4.40% Based on Age
Thereafter	3.15% - 5.40% Based on Age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

**NOTE 4: Pension Plans (Continued)****Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bonds	1.00%	2.49%
Intermediate-Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation-Indexed Bonds	2.50%	3.51%
Broad US Equities	25.90%	8.22%
Developed Foreign Equities	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Return	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%

**Discount Rate**

The discount rate used to measure the total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**NOTE 4: Pension Plans (Continued)****Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2014 and 2013, respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<b>2014</b>		
	<b>At 1%</b>	<b>At Current</b>	<b>At 1%</b>
	<b><u>Decrease (4.39%)</u></b>	<b><u>Rate (5.39%)</u></b>	<b><u>Increase (6.39%)</u></b>
State	\$ 23,772,450,916	20,127,103,950	17,069,920,644
Local	<u>23,553,838,159</u>	<u>18,722,735,003</u>	<u>14,665,837,859</u>
Total	<u>\$ 47,326,289,075</u>	<u>38,849,838,953</u>	<u>31,735,758,503</u>
	<b>2013</b>		
	<b>At 1%</b>	<b>At Current</b>	<b>At 1%</b>
	<b><u>Decrease (4.55%)</u></b>	<b><u>Rate (5.55%)</u></b>	<b><u>Increase (6.55%)</u></b>
State	\$ 22,822,255,839	19,298,623,119	16,351,193,705
Local	<u>23,791,905,551</u>	<u>19,111,986,911</u>	<u>15,190,834,283</u>
Total	<u>\$ 46,614,161,390</u>	<u>38,410,610,030</u>	<u>31,542,027,988</u>

**Teachers Pensions and Annuity Fund (TPAF)****Components of Net Pension Liability**

The components of the net pension liability of the State as of June 30, 2014 and 2013 are as follows:

	<b>2014</b>	<b>2013</b>
Total Pension Liability	\$ 81,095,320,000	76,678,639,671
Plan Fiduciary Net Position	<u>27,282,252,461</u>	<u>25,888,126,040</u>
Net Pension Liability	<u>\$ 53,813,067,539</u>	<u>50,790,513,631</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

NOTE 4: Pension Plans (Continued)State Proportionate Share of Net Pension Liability Attributable to District

	<u>2014</u>	<u>2013</u>
District's Liability	<u>\$ 26,851,919</u>	<u>26,942,066</u>
District's Proportion	.04990%	.05305%

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies Based on Experience
Thereafter	Varies Based on Experience
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvements. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

**NOTE 4: Pension Plans (Continued)****Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2014 are summarized in the following table:

<b><u>Asset Class</u></b>	<b><u>Target Allocation</u></b>	<b><u>Long-Term Expected Real Rate of Return</u></b>
Cash	6.00%	0.50%
Core Fixed Income	0.00%	2.19%
Core Bonds	1.00%	1.38%
Short-Term Bonds	0.00%	1.00%
Intermediate-Term Bonds	11.20%	2.60%
Long-Term Bonds	0.00%	3.23%
Mortgages	2.50%	2.84%
High Yield Bonds	5.50%	4.15%
Non-US Fixed Income	0.00%	1.41%
Inflation-Indexed Bonds	2.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	0.00%	5.62%
Mid Cap US Equities	0.00%	6.39%
Small Cap US Equities	0.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	6.50%	8.90%
Private Equity	8.25%	9.15%
Hedge Funds/Absolute Return	12.25%	3.85%
Real Estate (Property)	3.20%	4.43%
Real Estate (REITS)	0.00%	5.58%
Commodities	2.50%	3.60%
Long Credit Bonds	0.00%	3.74%

**NOTE 4: Pension Plans (Continued)****Discount Rate**

The discount rate used to measure the total pension liability was 4.68% and 4.95% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the State as of June 30, 2014 calculated using the discount rate as disclosed above as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>At 1% Decrease</u>	<u>At Current Discount Rate</u>	<u>At 1% Increase</u>
2014 (3.68%, 4.68%, 5.68%)	\$ 64,722,984,539	53,813,067,539	44,738,870,539
2013 (3.95%, 4.95%, 5.95%)	61,017,578,926	50,790,513,631	42,351,665,847

**NOTE 5: Post-Retirement Benefits**

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a prefunding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

**NOTE 6: Compensated Absences**

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the right to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

In the district-wide *Statement of Net Position*, the liabilities whose average maturities are greater than one year should be reported in two components – the amount due within one year and the amount due in more than one year.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2015 no liability existed for compensated absences in the Food Service Fund.

**NOTE 7: Capital Reserve Account**

A capital Reserve account was established by the Borough of Shore Regional Board of Education by inclusion of \$508 on July 1, 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Fund placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.* 19:60-2. Pursuant to *N.J.A.C.* 6:23A-5.1(d) 7, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2014 to June 30, 2015 fiscal year is as follows:

Beginning Balance, July 1, 2014	\$ 1,009,028
Utilized in 2014-2015 Budget	(700,000)
Interest Earned in 2014-2015	<u>1,598</u>
Balance June 30, 2015	<u>\$ 310,626</u>

**NOTE 8: Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance** – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

**New Jersey Unemployment Compensation Insurance** – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current year and previous year:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$ 17,181	12,295	23,575	5,901
2013-2014	25,477	11,744	43,102	
2012-2013	26,627	16,491	40,159	5,881

**NOTE 9: Tuition Adjustments**

Regulations specify that tuition adjustments for any given school year shall be remitted/received in the two following years after the tuition rate is certified. These adjustments have not been reflected on the June 30, 2015 financial statements.

**NOTE 10: Economic Dependency**

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the District’s programs and activities.

**NOTE 11: Operating Leases**

The District had no operating leases as of June 30, 2015.

**NOTE 12: Contingent Liabilities**

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect of the financial position of the District.

**NOTE 13: 2% Calculation of Excess Surplus**

2014-15 Total General Fund Expenditures Per the CAFR	\$ 18,047,515
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>(1,205,924)</u>
Adjusted 2014-15 General Fund Expenditures	<u>\$ 16,841,591</u>
2% of Adjusted 2014-15 General Fund Expenditures	\$ 83,353
Increased by: Allowable Adjustment	<u>336,832</u>
Maximum Unassigned Fund Balance	<u>\$ 420,185</u>
 <b><u>Section 2</u></b>	
Total General Fund – Fund Balances @ 6-30-15	\$ 1,597,041
Decreased by:	
Reserved for Encumbrances	(46,716)
Other Reserves	(310,626)
Designated for Subsequent Year’s Expenditures – Excess Surplus	(399,276)
Designated for Subsequent Year’s Expenditures	<u>(111,987)</u>
Total Unassigned Fund Balance	<u>\$ 728,436</u>
 <b><u>Section 3</u></b>	
Reserved Excess Surplus – Current Year	<u>\$ 308,251</u>
 <b><u>Detail of Allowable Adjustments</u></b>	
Extraordinary Aid	\$ 82,312
Non-Public Transportation Aid	<u>1,041</u>
	<u>\$ 83,353</u>
 <b><u>Detail of Other Restricted Fund Balance</u></b>	
Capital Reserve	<u>\$ 310,626</u>

**NOTE 14: Fund Balance Appropriated**

**General Fund** – Of the \$1,597,041 General Fund fund balance at June 30, 2015, \$310,626 has been reserved in the Capital Reserve Account; \$111,987 of unreserved balance has been designated for subsequent years expenditures, \$399,276 of Excess Surplus is designated for subsequent years expenditures, \$308,251 is current year excess surplus; \$420,185 is unassigned; and \$46,716 is reserved for encumbrances.

**NOTE 15: Calculation of Excess Surplus**

In accordance with *N.J.S.A.* 18A:7F-7, as amended, the designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. There is excess fund balance at June 30, 2015 of \$308,251.

**NOTE 16: Significant Accounting Pronouncements**

In June 2009, the FASB issued FASB ASC 105, Generally Accepted Accounting Principles, which establishes the FASB Accounting Standards Codification as the sole source of authoritative generally accepted accounting principles. Pursuant to the provisions of FASB ASC 105, the District has updated references to GAAP in its financial statements issued for the period ended June 30, 2015. The adoption of FASB ASC 105 did not impact the District's financial position or results of operations.

In May 2009, the FASB updated ASC 855, Subsequent Events, which is effective for reporting periods ending after June 15, 2009. ASC 855 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued, or are available to be issued. The District adopted the amended sections of ASC 855 and it did not have an impact on the District's financial statements. The District evaluated all events or transactions that occurred after June 30, 2015 through December 18, 2015.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART II**

**BUDGETARY COMPARISON SCHEDULES – C**

SHORE REGIONAL SCHOOL DISTRICT

Exhibit C-1  
Sheet 1 of 12

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 13,852,556	194,581	14,047,137	14,047,137	-
Tuition From Other LEA's	30,000		30,000	110,000	80,000
Tuition From Individuals	20,000		20,000	32,500	12,500
Transportation Fees From Other LEA'S	349,000		349,000	133,853	(215,147)
Interest Earned on Capital Reserve Funds			-	1,598	1,598
Miscellaneous Revenues - Unrestricted	33,100		33,100	9,107	(23,993)
Total Local Sources	<u>14,284,656</u>	<u>194,581</u>	<u>14,479,237</u>	<u>14,334,195</u>	<u>(145,042)</u>
State Sources:					
Extraordinary Aid			-	82,312	82,312
Special Education Categorical Aid	368,801		368,801	368,801	
Transportation Aid	45,382		45,382	45,382	-
Security Aid	9,794		9,794	9,794	-
Adjustment Aid	2,702		2,702	2,702	-
PARCC Readiness Aid	6,310		6,310	6,310	-
Per Pupil Growth Aid	6,310		6,310	6,310	-
Non-Public Transportation			-	1,041	1,041
TPAF Pension Contribution			-	751,611	751,611
TPAF Social Security Contribution			-	454,313	454,313
Total State Sources	<u>439,299</u>	<u>-</u>	<u>439,299</u>	<u>1,728,576</u>	<u>1,289,277</u>
Federal Sources:					
Community Disaster Loan	<u>821,424</u>	<u>-</u>	<u>821,424</u>	<u>821,424</u>	<u>-</u>
Total Revenues	<u>15,545,379</u>	<u>194,581</u>	<u>15,739,960</u>	<u>16,884,195</u>	<u>1,144,235</u>

**SHORE REGIONAL SCHOOL DISTRICT**

**Exhibit C-1**

**Sheet 2 of 12**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Expenditures:					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	3,562,700	78,662	3,641,362	3,637,635	3,727
Total Regular Programs - Instruction	<u>3,562,700</u>	<u>78,662</u>	<u>3,641,362</u>	<u>3,637,635</u>	<u>3,727</u>
Regular Programs - Home Instruction:					
Salaries	10,000	14,088	24,088	24,088	-
Purchase of Professional/Educational Services	10,000	2,063	12,063	6,906	5,157
Total Regular Programs - Home Instruction	<u>20,000</u>	<u>16,151</u>	<u>36,151</u>	<u>30,994</u>	<u>5,157</u>
Regular Programs - Undistributed Instruction:					
Other Purchased Services	55,653	(7,689)	47,964	43,497	4,467
General Supplies	264,839	41,020	305,859	274,325	31,534
Textbooks	70,916	(10,461)	60,455	60,455	-
Other Objects	27,500	42,996	70,496	56,999	13,497
Total Regular Programs - Undistributed Instruction	<u>418,908</u>	<u>65,866</u>	<u>484,774</u>	<u>435,276</u>	<u>49,498</u>
Total Regular Programs - Instruction	<u>4,001,608</u>	<u>160,679</u>	<u>4,162,287</u>	<u>4,103,905</u>	<u>58,382</u>

**SHORE REGIONAL SCHOOL DISTRICT**

Exhibit C-1  
Sheet 3 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Resource Room/Center:					
Salaries of Teachers	483,350	54,936	538,286	538,286	-
Other Salaries Instruction	55,000	(38,100)	16,900	16,900	-
Purchased Professional Educational Services	9,000	(9,000)	-	-	-
Other Objects	1,000	840	1,840	1,840	-
Total Resource Room/Center	<u>548,350</u>	<u>8,676</u>	<u>557,026</u>	<u>557,026</u>	<u>-</u>
Total Special Education - Instruction	<u>548,350</u>	<u>8,676</u>	<u>557,026</u>	<u>557,026</u>	<u>-</u>
School Sponsored Co-Curricular Activities - Instruction:					
Salaries	131,960	30,725	162,685	162,685	-
Supplies	38,000	(9,317)	28,683	28,683	-
Other Objects	21,500	17,601	39,101	21,811	17,290
Total School Sponsored Co-Curricular	<u>191,460</u>	<u>39,009</u>	<u>230,469</u>	<u>213,179</u>	<u>17,290</u>
School Sponsored Co-Curricular Athletics - Instruction					
Salaries	601,533	22,258	623,791	622,752	1,039
Supplies and Materials	61,000	11,119	72,119	67,126	4,993
Other Objects	82,100	35,121	117,221	107,736	9,485
Total School Sponsored Co-Curr. Athletics - Instruction	<u>744,633</u>	<u>68,498</u>	<u>813,131</u>	<u>797,614</u>	<u>15,517</u>
Total Distributed Expenditures	<u>5,486,051</u>	<u>276,862</u>	<u>5,762,913</u>	<u>5,671,724</u>	<u>91,189</u>

**SHORE REGIONAL SCHOOL DISTRICT**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undistributed Expenditures:					
Instruction:					
Tuition in State - Special	202,000	(26,728)	175,272	173,574	1,698
Tuition to County Vocational School:					
Regular	395,900	(34,928)	360,972	360,972	-
Special	62,400	27,618	90,018	90,018	-
Tuition to Private School for Handicapped - In State	1,238,239	(108,700)	1,129,539	1,129,539	-
Tuition to Private School for Handicapped - Outside State	68,000	1,435	69,435	69,435	-
Total Instruction	<u>1,966,539</u>	<u>(141,303)</u>	<u>1,825,236</u>	<u>1,823,538</u>	<u>1,698</u>
Attendance & Social Work:					
Salaries	<u>71,993</u>	<u>(14,545)</u>	<u>57,448</u>	<u>54,130</u>	<u>3,318</u>
Health Services:					
Salaries	69,700	2,675	72,375	72,375	-
Purchased Professional/Technical Services	16,700	363	17,063	16,929	134
Supplies and Materials	8,000	714	8,714	7,750	964
Other Objects	<u>5,200</u>	<u>(48)</u>	<u>5,152</u>	<u>3,631</u>	<u>1,521</u>
Total Health Services	<u>99,600</u>	<u>3,704</u>	<u>103,304</u>	<u>100,685</u>	<u>2,619</u>
Other Support Services Students - Regular Services:					
Salaries of Other Professional Staff	516,816	12,312	529,128	529,128	-
Salaries of Secretarial & Clerical Assistants	101,644	(4,363)	97,281	96,040	1,241
Other Professional/Technical Services	2,000	3,110	5,110	5,110	-
Other Purchased Services	22,800	6,073	28,873	28,873	-
Supplies and Materials	6,000	8,102	14,102	13,333	769
Other Objects	<u>5,425</u>	<u>(3,790)</u>	<u>1,635</u>	<u>1,635</u>	<u>-</u>
Total Other Support Svcs. Students - Regular Services	<u>654,685</u>	<u>21,444</u>	<u>676,129</u>	<u>674,119</u>	<u>2,010</u>

**SHORE REGIONAL SCHOOL DISTRICT**

Exhibit C-1  
Sheet 5 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Other Support Services Students - Special:					
Salaries of Other Professional Staff	126,240	111,417	237,657	237,657	-
Purchased Professional Educational Services	95,000	(6,354)	88,646	88,646	-
Other Purchased Professional/Technical Services	1,901	1,583	3,484	3,484	-
Supplies and Materials	1,000		1,000	358	642
Other Objects	1,000		1,000	348	652
Total Other Support Services Students - Special	<u>225,141</u>	<u>106,646</u>	<u>331,787</u>	<u>330,493</u>	<u>1,294</u>
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	96,448	104,027	200,475	200,475	-
Salaries of Other Professional Staff	10,000	(3,900)	6,100	6,100	-
Salaries of Secretarial & Clerical Assistants	79,800	(64,518)	15,282	15,282	-
Purchased Professional Educational Services	55,850	(14,888)	40,962	40,962	-
Supplies & Materials	500		500		500
Other Objects	26,087	3,712	29,799	21,884	7,915
Total Improvement of Instructional Services	<u>268,685</u>	<u>24,433</u>	<u>293,118</u>	<u>284,703</u>	<u>8,415</u>
Educational Media/School Library:					
Salaries	150,010	(15,847)	134,163	119,555	14,608
Other Purchased Services (400-500 Series)	33,000		33,000	32,770	230
Other Objects	1,575	(435)	1,140	1,096	44
Total Educational Media/School Library	<u>184,585</u>	<u>(16,282)</u>	<u>168,303</u>	<u>153,421</u>	<u>14,882</u>
Staff Training:					
Other Objects		1,391	1,391	1,391	-
Total Staff Training	<u>-</u>	<u>1,391</u>	<u>1,391</u>	<u>1,391</u>	<u>-</u>

**SHORE REGIONAL SCHOOL DISTRICT**

**Exhibit C-1**

**Sheet 6 of 12**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Support Services - General Administration:					
Salaries	105,131	52,677	157,808	157,808	-
Legal Services	20,000	46,702	66,702	66,702	-
Audit Fees	27,000	19,500	46,500	19,500	27,000
Other Purchased Professional Services	10,000		10,000	449	9,551
Purchased Technical Services	5,000		5,000	4,984	16
Communications/Telephone	86,924	(19,315)	67,609	66,307	1,302
Miscellaneous Purchased Services	12,800	3,837	16,637	16,637	-
General Supplies	3,000		3,000	1,726	1,274
BOE-In House Training/Supplies	5,000		5,000	3,282	1,718
Miscellaneous Expenditures	27,000	(12,093)	14,907	14,907	-
Membership Dues and Fees	11,700		11,700	11,700	-
Total Support Services - General Administration	<u>313,555</u>	<u>91,308</u>	<u>404,863</u>	<u>364,002</u>	<u>40,861</u>
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	243,675	21,218	264,893	264,893	-
Salaries of Secretarial & Clerical Assistants	47,385	4,578	51,963	51,963	-
Other Purchased Services (400-500 Series)	1,500		1,500	319	1,181
Supplies & Materials	23,000	(8,643)	14,357	11,847	2,510
Other Objects	14,979	10,011	24,990	24,990	-
Total Support Services - School Administration	<u>330,539</u>	<u>27,164</u>	<u>357,703</u>	<u>354,012</u>	<u>3,691</u>
Support Services-Admin. Info. Technology					
Salaries	8,696		8,696	8,297	399
Other Purchased Services	26,495	1,349	27,844	24,678	3,166
Supplies and Materials	500		500	165	335
Total Support services-Admin. Info. Technology	<u>35,691</u>	<u>1,349</u>	<u>37,040</u>	<u>33,140</u>	<u>3,900</u>

**SHORE REGIONAL SCHOOL DISTRICT**

**Exhibit C-1  
Sheet 7 of 12**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Support Services - Central Services:					
Salaries of Business Office	194,439	20,956	215,395	215,395	-
Purchased Technical Services	25,200	2,736	27,936	27,936	-
Supplies	4,900		4,900	3,323	1,577
Miscellaneous Expenditures	8,189		8,189	4,901	3,288
Total Support Services - Central Services	<u>232,728</u>	<u>23,692</u>	<u>256,420</u>	<u>251,555</u>	<u>4,865</u>
Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	68,500	19,945	88,445	88,445	-
General Supplies	32,000	1,742	33,742	30,467	3,275
Other Objects	12,000	(6,670)	5,330	5,014	316
Total Required Maintenance for School Facilities	<u>112,500</u>	<u>15,017</u>	<u>127,517</u>	<u>123,926</u>	<u>3,591</u>
Other Operations & Maintenance of Plant:					
Cleaning, Repair & Maintenance Services	561,807	70,392	632,199	632,199	-
Other Purchased Property Services	77,000	(2,429)	74,571	70,795	3,776
Insurance	130,800	1,070	131,870	131,870	-
General Supplies	30,000		30,000	23,555	6,445
Energy (Electricity)	260,000	(48,191)	211,809	211,809	-
Other Objects	10,000	(9,443)	557	108	449
Energy (Natural Gas)	130,000	(11,932)	118,068	118,068	-
Total Other Operations and Maintenance of Plant	<u>1,199,607</u>	<u>(533)</u>	<u>1,199,074</u>	<u>1,188,404</u>	<u>10,670</u>
Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	54,000	25,125	79,125	78,799	326
General Supplies	45,000	1,935	46,935	45,763	1,172
Other Objects	8,000	4,175	12,175	12,175	-
Total Care and Upkeep of Grounds	<u>107,000</u>	<u>31,235</u>	<u>138,235</u>	<u>136,737</u>	<u>1,498</u>

**SHORE REGIONAL SCHOOL DISTRICT**

**Exhibit C-1  
Sheet 8 of 12**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Total Operations & Maintenance	<u>1,419,107</u>	<u>45,719</u>	<u>1,464,826</u>	<u>1,449,067</u>	<u>15,759</u>
Security:					
Salaries	71,207	13,026	84,233	84,233	-
Cleaning, Repair and Maintenance Services	<u>8,000</u>	<u>16,093</u>	<u>24,093</u>	<u>24,093</u>	<u>-</u>
Total Security	<u>79,207</u>	<u>29,119</u>	<u>108,326</u>	<u>108,326</u>	<u>-</u>
Total Operation And Maintenance of Plant Services	<u>1,498,314</u>	<u>74,838</u>	<u>1,573,152</u>	<u>1,557,393</u>	<u>15,759</u>
Student Transportation:					
Salaries For Pupil Transportation Between Home & School					
Regular	434,000	72,292	506,292	418,445	87,847
Special Education	33,067	31,239	64,306	64,306	-
Other		38,115	38,115	38,115	-
Salaries For Pupil Transportation Between H&S (Non-Public)	110,789	(6,086)	104,703	101,725	2,978
Cleaning Repair Maintenance Services	85,000	(9,958)	75,042	75,042	-
Contracted Services Home/School - Regular ESC	237,000	(97,234)	139,766	139,766	-
Contracted Services Special ESC	229,000	(144,173)	84,827	84,827	-
Contracted Services Aid-In-Lieu Non-Public	30,000	37,272	67,272	31,647	35,625
Miscellaneous Purchased Services	25,000	2,397	27,397	27,397	-
General Supplies	500	(275)	225	225	-
Transportation Supplies	134,000	(37,595)	96,405	96,405	-
Other Objects	<u>11,000</u>	<u>9,544</u>	<u>20,544</u>	<u>20,544</u>	<u>-</u>
Total Student Transportation	<u>1,329,356</u>	<u>(104,462)</u>	<u>1,224,894</u>	<u>1,098,444</u>	<u>126,450</u>

**SHORE REGIONAL SCHOOL DISTRICT**

Exhibit C-1  
Sheet 9 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Allocated Benefits:					
Social Security Contributions	83,130	15,420	98,550	98,550	-
Workmen's Compensation	66,400		66,400	66,400	-
Health Benefits	1,303,000	(42,972)	1,260,028	1,260,028	-
Tuition Reimbursement	27,000	(17,164)	9,836	9,836	-
Other Employee Benefits	24,850	(24,850)	-	-	-
Total Allocated Benefits-Instruction	<u>1,504,380</u>	<u>(69,566)</u>	<u>1,434,814</u>	<u>1,434,814</u>	<u>-</u>
Social Security Contributions	11,118	(2,011)	9,107	7,976	1,131
Workmen's Compensation	6,700		6,700	6,700	-
Health Benefits	149,600		149,600	148,989	611
Tuition Reimbursement	1,000		1,000	-	1,000
Total Allocated Benefits-Guidance	<u>168,418</u>	<u>(2,011)</u>	<u>166,407</u>	<u>163,665</u>	<u>2,742</u>
Tuition Reimbursement	3,000		3,000	-	3,000
Total Allocated Benefits-Media Services (School Library)	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Social Security Contributions	9,996	(9,996)	-	-	-
Workmen's Compensation	9,700		9,700	9,700	-
Health Benefits	173,000		173,000	173,000	-
Total Student Transportation Services	<u>192,696</u>	<u>(9,996)</u>	<u>182,700</u>	<u>182,700</u>	<u>-</u>
Total Allocated Benefits	<u>1,868,494</u>	<u>(81,573)</u>	<u>1,786,921</u>	<u>1,781,179</u>	<u>5,742</u>

SHORE REGIONAL SCHOOL DISTRICT

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Unallocated Benefits:					
Social Security Contributions	65,892	38,262	104,154	104,154	-
Other Retirement Contributions-PERS	118,000	14,214	132,214	132,214	-
Unemployment Compensation	30,000	(12,819)	17,181	17,181	-
Workmen's Compensation	20,300	5,003	25,303	25,303	-
Health Benefits	263,900	(163,028)	100,872	100,872	-
Tuition Reimbursement	15,000	(2,193)	12,807	12,807	-
Other Employee Benefits	2,500		2,500	1,819	681
Total Unallocated Benefits	<u>515,592</u>	<u>(120,561)</u>	<u>395,031</u>	<u>394,350</u>	<u>681</u>
Total Personal Services-Employee Benefits	<u>2,384,086</u>	<u>(202,134)</u>	<u>2,181,952</u>	<u>2,175,529</u>	<u>6,423</u>
On-Behalf TPAF Pension Contribution (Non-Budgeted)			-	751,611	(751,611)
Reimbursed TPAF SS Contributions (Non-Budgeted)			-	454,313	(454,313)
Total On-Behalf Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,205,924</u>	<u>(1,205,924)</u>
Total Personal Services - Employee Benefits	<u>2,384,086</u>	<u>(202,134)</u>	<u>2,181,952</u>	<u>3,381,453</u>	<u>(1,199,501)</u>
Total Undistributed Expenditures	<u>9,595,497</u>	<u>(102,757)</u>	<u>9,492,740</u>	<u>10,462,479</u>	<u>(969,739)</u>
Total General Current Expense	<u>15,081,548</u>	<u>174,105</u>	<u>15,255,653</u>	<u>16,134,203</u>	<u>(878,550)</u>

**SHORE REGIONAL SCHOOL DISTRICT**

**Exhibit C-1  
Sheet 11 of 12**

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Capital Outlay:					
Interest To Capital Reserve			-		-
Equipment:					
Regular Programs - Instruction:					
Grades 9-12	261,138	197,484	458,622	449,607	9,015
Undistributed:					
Maintenance of Facilities	191,046	156,105	347,151	347,151	-
Custodial Services	20,000	25,788	45,788	45,788	-
School Buses	30,000	99,649	129,649	92,902	36,747
Total Equipment	<u>502,184</u>	<u>479,026</u>	<u>981,210</u>	<u>935,448</u>	<u>45,762</u>
Facilities Acquisition & Construction Services:					
Architectural/Engineering		2,960	2,960	2,960	-
Construction Services	500,000	331,439	831,439	831,439	-
Land and Improvements	100,000	1,165	101,165	93,028	8,137
Lease Purchase-Principal	50,437		50,437	50,437	-
Assessment for Debt Service on SDA Funding	1,100		1,100		1,100
Total Facilities Acquisition & Construction Services	<u>651,537</u>	<u>335,564</u>	<u>987,101</u>	<u>977,864</u>	<u>9,237</u>
Total Capital Outlay	<u>1,153,721</u>	<u>814,590</u>	<u>1,968,311</u>	<u>1,913,312</u>	<u>54,999</u>
Total Expenditures	<u>16,235,269</u>	<u>988,695</u>	<u>17,223,964</u>	<u>18,047,515</u>	<u>(823,551)</u>

**SHORE REGIONAL SCHOOL DISTRICT**

Exhibit C-1  
Sheet 12 of 12

**BUDGETARY COMPARISON SCHEDULE - GENERAL FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other Financing Sources and/or (Uses)					
Transfer To cover Deficit (Enterprise Fund)	(20,000)		(20,000)	(13,493)	(6,507)
Total Other Financing Sources and/or (Uses)	<u>(20,000)</u>	<u>-</u>	<u>(20,000)</u>	<u>(13,493)</u>	<u>(6,507)</u>
Excess (Deficiency) of Revenues Over/(Under)					
Expenditures & Other Financing Uses	(709,890)	(794,114)	(1,504,004)	(1,176,813)	314,177
Fund Balance July 1	<u>2,773,854</u>		<u>2,773,854</u>	<u>2,773,854</u>	
Fund Balance June 30	<u>\$ 2,063,964</u>	<u>(794,114)</u>	<u>1,269,850</u>	<u>1,597,041</u>	<u>314,177</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus Current Year				\$ 308,251	
Designated For Subsequent Year's Expenditures Excess Surplus				399,276	
Capital Reserve				310,626	
Assigned Fund Balance:					
Year End Encumbrances				46,716	
Designated For Subsequent Year's Expenditures by the Board of Education				111,987	
Unassigned Fund Balance				<u>420,185</u>	
				1,597,041	
Reconciliation to Governmental Funds Statement (GAAP):					
Final State Audit Payments not Recognized on GAAP Basis				<u>(42,025)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 1,555,016</u>	

**SHORE REGIONAL SCHOOL DISTRICT**

Exhibit C-2

**BUDGETARY COMPARISON SCHEDULE**

**SPECIAL REVENUE FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Final to Actual</u></b>
Revenues:					
Local Sources	\$ -	4,035	4,035	4,035	
State Sources	33,614	20,377	53,991	53,991	
Federal Sources	179,140	(23,371)	155,769	155,769	
Total Revenues	<u>\$ 212,754</u>	<u>1,041</u>	<u>213,795</u>	<u>213,795</u>	<u>-</u>
Expenditures:					
Instruction:					
Salaries of Teachers	\$ 50,000	2,462	52,462	52,462	
Purchased Professional - Educational Services	146,408	(7,263)	139,145	139,145	
Other Purchased Services	4,000	56	4,056	4,056	
Textbooks	3,346	809	4,155	4,155	
Total Instruction	<u>203,754</u>	<u>(3,936)</u>	<u>199,818</u>	<u>199,818</u>	<u>-</u>
Support Services:					
Salaries of Other Professional Staff			-		
Personal Services - Employee Benefits		683	683	683	
Purchased Professional - Educational Services		4,035	4,035	4,035	
Other Purchased Services	9,000	259	9,259	9,259	
Total Support Services	<u>9,000</u>	<u>4,977</u>	<u>13,977</u>	<u>13,977</u>	<u>-</u>
Total Expenditures	<u>\$ 212,754</u>	<u>1,041</u>	<u>213,795</u>	<u>213,795</u>	<u>-</u>

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**SHORE REGIONAL SCHOOL DISTRICT****REQUIRED SUPPLEMENTARY INFORMATION**

Exhibit C-3

**BUDGETARY COMPARISON SCHEDULE****NOTE TO RSI****FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>
<b><u>Sources/Inflows of Resources</u></b>		
Actual Amounts (Budgetary Basis) "Revenue" from Budgetary Comparison Schedule	\$ 16,884,195	213,795
Difference - Budget to GAAP: Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized		
State Aid Payment Recognized for GAAP Statements in the Current Year, Previously Recognized for Budgetary Purposes	40,813	
State Aid Payment Recognized for Budgetary Purposes, Not Recognized for GAAP Statements Until the Subsequent Year.	<u>(42,025)</u>	
Total Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 16,882,983</u>	<u>213,795</u>
<b><u>Uses/Outflows of Resources</u></b>		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 18,047,515	213,795
Differences - Budget to GAAP: Encumbrances for Supplies and Equipment Ordered but not Received are reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes		
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 18,047,515</u>	<u>213,795</u>

**REQUIRED SUPPLEMENTARY INFORMATION – PART III**

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING  
FOR PENSIONS (GASB 68) - L**

**SHORE REGIONAL SCHOOL DISTRICT****SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE****NET PENSION LIABILITY - PERS**

Exhibit L-1

**LAST TWO FISCAL YEARS**

	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	100.000%	100.000%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 2,447,080	2,451,423
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>-</u>	<u>-</u>
Total	<u>\$ 2,447,080</u>	<u>2,451,423</u>
District's Covered-Employee Payroll	\$ 871,725	889,644
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	35.62%	36.29%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.74%	40.71%

**SHORE REGIONAL SCHOOL DISTRICT**

**SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS**

**Exhibit L-2**

**LAST TWO FISCAL YEARS**

	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 101,987	100,295
Contributions in Relation to the Contractually Required Contribution	<u>101,987</u>	<u>100,295</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 871,725	889,644
Contributions as a Percentage of Covered-Employee Payroll	11.70%	11.27%

**SHORE REGIONAL SCHOOL DISTRICT****SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE****NET PENSION LIABILITY - TPAF****Exhibit L-3****LAST TWO FISCAL YEARS**

	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	0.000%	0.000%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>26,851,919</u>	<u>26,942,066</u>
Total	<u>\$ 26,851,919</u>	<u>26,942,066</u>
District's Covered-Employee Payroll	\$ 5,472,846	5,034,731
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	20.38%	18.69%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

**OTHER SUPPLEMENTARY INFORMATION**

**SCHOOL LEVEL SCHEDULES – D**

**N/A**

**SPECIAL REVENUE FUND – E**

SHORE REGIONAL SCHOOL DISTRICT

SPECIAL REVENUE FUND

COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Nonpublic</u>							
	<u>Textbooks</u>	<u>Comp. Education</u>	<u>Initial Exam. &amp; Classification</u>	<u>Annual Exam. &amp; Classification</u>	<u>Corrective Speech</u>	<u>Supplementary Instruction</u>	<u>Technology</u>	<u>Nursing</u>
Revenues:								
State Sources	\$ 4,155	19,528	5,040	4,693	3,534	8,161	2,240	6,640
Federal Sources								
Local Revenues								
<b>Total Revenues</b>	<u>\$ 4,155</u>	<u>19,528</u>	<u>5,040</u>	<u>4,693</u>	<u>3,534</u>	<u>8,161</u>	<u>2,240</u>	<u>6,640</u>
Expenditures:								
Instruction:								
Salaries of Teachers	\$ -	19,528	5,040	4,693	3,534	8,161	2,240	6,640
Purchased Professional Educational Services								
Other Purchased Services								
General Supplies								
Textbooks	4,155							
<b>Total Instruction</b>	<u>4,155</u>	<u>19,528</u>	<u>5,040</u>	<u>4,693</u>	<u>3,534</u>	<u>8,161</u>	<u>2,240</u>	<u>6,640</u>
Support Services:								
Salaries of Other Professional Staff								
Personal Services - Employee Benefits								
Purchased Professional Educational Services								
Other Purchased Services								
General Supplies								
<b>Total Support Services</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>\$ 4,155</u>	<u>19,528</u>	<u>5,040</u>	<u>4,693</u>	<u>3,534</u>	<u>8,161</u>	<u>2,240</u>	<u>6,640</u>

**SHORE REGIONAL SCHOOL DISTRICT**

**Exhibit E-1**

**Sheet 2 of 2**

**SPECIAL REVENUE FUND**

**COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>I.D.E.A Flow-Thru Part B 2013-14</u></b>	<b><u>Title IIA</u></b>	<b><u>I.D.E.A Flow-Thru Part B</u></b>	<b><u>Local Grants</u></b>	<b><u>Totals</u></b>
Revenues:					
State Sources					53,991
Federal Sources	4,890	15,102	135,777		155,769
Local Revenues				4,035	4,035
Total Revenues	<u>4,890</u>	<u>15,102</u>	<u>135,777</u>	<u>4,035</u>	<u>213,795</u>
Expenditures:					
Instruction:					
Salaries of Teachers		2,626			52,462
Purchased Professional Educational Services	4,890	7,737	126,518		139,145
Other Purchased Services		4,056			4,056
General Supplies					-
Textbooks					4,155
Total Instruction	<u>4,890</u>	<u>14,419</u>	<u>126,518</u>	<u>-</u>	<u>199,818</u>
Support Services:					
Salaries of Other Professional Staff					-
Personal Services - Employee Benefits		683			683
Purchased Professional Educational Services				4,035	4,035
Other Purchased Services			9,259		9,259
General Supplies					-
Total Support Services	<u>-</u>	<u>683</u>	<u>9,259</u>	<u>4,035</u>	<u>13,977</u>
Total Expenditures	<u>4,890</u>	<u>15,102</u>	<u>135,777</u>	<u>4,035</u>	<u>213,795</u>

**CAPITAL PROJECTS FUND – F**

**N/A**

**PROPRIETARY FUNDS – G**

N/A

**FIDUCIARY FUND – H**

**SHORE REGIONAL SCHOOL DISTRICT**

**Exhibit H-1**

**TRUST AND AGENCY FUND**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION**

**JUNE 30, 2015**

	<b><u>Student Activities</u></b>	<b><u>Unemployment Compensation</u></b>	<b><u>Agency Account</u></b>	<b><u>Totals June 30, 2015</u></b>
Assets:				
Cash and Cash Equivalents	<u>\$ 174,643</u>	<u>5,901</u>	<u>8,787</u>	<u>189,331</u>
Total Assets	<u><u>\$ 174,643</u></u>	<u><u>5,901</u></u>	<u><u>8,787</u></u>	<u><u>189,331</u></u>
Liabilities:				
Due to Student Groups	<u>\$ 174,643</u>			<u>174,643</u>
Payroll Withholdings			<u>8,787</u>	<u>8,787</u>
Total Liabilities	<u><u>\$ 174,643</u></u>		<u><u>8,787</u></u>	<u><u>183,430</u></u>
Net Position:				
Reserved - Unemployment Benefits		<u>\$ 5,901</u>		<u>5,901</u>
Total Net Position		<u><u>\$ 5,901</u></u>		<u><u>5,901</u></u>

**SHORE REGIONAL SCHOOL DISTRICT**  
**UNEMPLOYMENT NONEXPENDABLE TRUST FUND**

Exhibit H-2

**STATEMENT OF CHANGES**  
**IN FIDUCIARY NET POSITION**

**JUNE 30, 2015**

	<b><u>2015</u></b>
Additions:	
Deposits	\$ 29,474
Interest on Investments	2
Total Additions	<u>29,476</u>
Deductions:	
Unemployment Claims	<u>23,575</u>
Total Deductions	<u>23,575</u>
Change in Net Position	5,901
Net Position June 30, 2014	<u>-</u>
Net Position June 30, 2015	<u><u>\$ 5,901</u></u>

SHORE REGIONAL SCHOOL DISTRICT

STUDENT ACTIVITY AGENCY FUND

SCHEDULE OF RECEIPTS AND DISBURSEMENTS

JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2015</u>
High School:				
Student Activity Account	\$ 154,366	186,998	166,776	174,588
Athletic Fund	-	101,167	101,112	55
Total - All Schools	<u>\$ 154,366</u>	<u>288,165</u>	<u>267,888</u>	<u>174,643</u>

**SHORE REGIONAL SCHOOL DISTRICT****PAYROLL AGENCY FUND**

Exhibit H-4

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS****JUNE 30, 2015**

	<b><u>Balance</u></b> <b><u>July 1, 2014</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balance</u></b> <b><u>June 30, 2015</u></b>
Assets:				
Cash and Cash Equivalents	\$ 8,253	3,879,846	3,879,312	8,787
Total Assets	<u>\$ 8,253</u>	<u>3,879,846</u>	<u>3,879,312</u>	<u>8,787</u>
Liabilities:				
Salaries, Payroll Deductions and Withholdings	\$ 8,253	3,879,846	3,879,312	8,787
Total Liabilities	<u>\$ 8,253</u>	<u>3,879,846</u>	<u>3,879,312</u>	<u>8,787</u>

**LONG-TERM DEBT - I**

**SHORE REGIONAL SCHOOL DISTRICT**  
**GENERAL LONG-TERM DEBT ACCOUNT GROUP**  
**SCHEDULE OF LONG-TERM DEBT GROUP**

Exhibit I-1

**JUNE 30, 2015**

<b><u>Issue</u></b>	<b><u>Date of Issue</u></b>	<b><u>Amount of Original Issue</u></b>	<b><u>Annual Date</u></b>	<b><u>Maturities Amount</u></b>	<b><u>Interest Rate</u></b>	<b><u>Beginning Balance July 1, 2014</u></b>	<b><u>Issued</u></b>	<b><u>Paid</u></b>	<b><u>Ending Balance June 30, 2015</u></b>
Replacement of the Heating, Ventilation and Air Conditioning System	10/7/2009	\$ 13,999,000	9/15/15	\$ 585,000	2.25%	\$ 11,880,000		570,000	11,310,000
			9/15/16	600,000	2.50%				
			9/15/17	620,000	3.00%				
			9/15/18	640,000					
			9/15/19	660,000					
			9/15/20	680,000	3.25%				
			9/15/21	710,000					
			9/15/22	735,000					
			9/15/23	765,000	3.50%				
			9/15/24	795,000	3.75%				
			9/15/25	830,000					
			9/15/26	865,000	4.00%				
			9/15/27	900,000					
			9/15/28	940,000					
9/15/29	985,000								
Community Disaster Loan	2014-2015	1,642,848	7/1/2018	328,570	1.375%		1,642,848		1,642,848
			7/1/2019	328,570					
			7/1/2020	328,570					
			7/1/2021	328,569					
			7/1/2022	328,569					
						<u>\$ 11,880,000</u>	<u>1,642,848</u>	<u>570,000</u>	<u>12,952,848</u>

**SHORE REGIONAL SCHOOL DISTRICT**

**GENERAL LONG-TERM DEBT ACCOUNT GROUP**

Exhibit I-2

**STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES**

**JUNE 30, 2015**

<b><u>Series</u></b>	<b><u>Interest Payable</u></b>	<b><u>Amount of Original Issue</u></b>	<b><u>Beginning Balance July 1, 2014</u></b>	<b><u>Retired Current Year</u></b>	<b><u>Amount Outstanding June 30, 2015</u></b>
Various Equipment	2.65%	\$ 401,000	\$ 86,000	86,000	-
Various Equipment	4.00%	384,000	214,681	71,595	143,086
Various Equipment	4.00%	363,147	363,147	71,308	291,839
			<u>\$ 663,828</u>	<u>228,903</u>	<u>434,925</u>

**SHORE REGIONAL SCHOOL DISTRICT**

**BUDGETARY COMPARISON SCHEDULE**

Exhibit I-3

**DEBT SERVICE FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Fund to Actual</u></b>
Revenues:					
Local Sources					
Local Tax Levy	\$ 637,923		637,923	637,923	
State Aid	328,627		328,627	328,627	
Miscellaneous	-			72	72
Total Revenues	<u>966,550</u>	<u>-</u>	<u>966,550</u>	<u>966,622</u>	<u>72</u>
Expenditures:					
Regular Debt Service Interest	396,550		396,550	396,550	
Redemption of Principal	570,000		570,000	570,000	
Total Expenditures	<u>966,550</u>	<u>-</u>	<u>966,550</u>	<u>966,550</u>	<u>-</u>
Total Excess Revenues Over Expenditures and Other Financing Sources (Uses)	-	-	-	72	72
Fund Balance July 1	<u>206,015</u>	<u></u>	<u>206,015</u>	<u>206,015</u>	<u>-</u>
Fund Balance June 30	<u>\$ 206,015</u>	<u></u>	<u>206,015</u>	<u>206,087</u>	<u>72</u>

**STATISTICAL SECTION**

**(Unaudited)**

## SHORE REGIONAL HIGH SCHOOL DISTRICT

## NET POSITION BY COMPONENT

LAST NINE FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Government Activities:									
Invested in Capital Assets, Net of Related Debt	\$ 2,110,768	\$ 2,563,037	\$ 3,759,957	\$ (59,912)	\$ 3,210,098	\$ 2,922,670	\$ 3,187,506	\$ 4,707,267	\$ 7,112,601
Restricted	1,041,980	789,095	(317,568)	3,468,714	762,393	1,795,253	2,342,375	1,446,571	1,614,472
Unrestricted	(16,080)	55,755	(236,448)	(342,787)	(798,920)	215,176	378,863	1,724,014	(3,920,011)
Total Government Activities Net Position	<u>\$ 3,136,667</u>	<u>\$ 3,407,887</u>	<u>\$ 3,205,941</u>	<u>\$ 3,066,014</u>	<u>\$ 3,173,571</u>	<u>\$ 4,933,099</u>	<u>\$ 5,908,743</u>	<u>\$ 7,877,852</u>	<u>\$ 4,807,062</u>
Business-Type Activities:									
Invested in Capital Assets, Net of Related Debt	\$ 3,752	\$ 2,834	\$ 55,195	\$ 52,926	\$ 45,579	\$ 38,232	\$ 30,886	\$ 23,041	\$ 14,696
Unrestricted	(3,752)	4,039	(32,428)	(57,085)	(67,479)	(90,685)	(86,474)	(108,020)	(93,168)
Total Business-Type Activities Net Position	<u>\$ -</u>	<u>\$ 6,873</u>	<u>\$ 22,767</u>	<u>\$ (4,159)</u>	<u>\$ (21,900)</u>	<u>\$ (52,453)</u>	<u>\$ (55,588)</u>	<u>\$ (84,979)</u>	<u>\$ (78,472)</u>
District-wide:									
Invested in Capital Assets, Net of Related Debt	\$ 2,114,520	\$ 2,565,871	\$ 3,815,151	\$ (6,987)	\$ 3,255,677	\$ 2,960,902	\$ 3,218,391	\$ 4,730,308	\$ 7,127,297
Restricted	1,041,980	789,095	(317,568)	3,468,714	762,393	1,795,253	2,342,375	1,446,571	1,614,472
Unrestricted	(19,832)	59,794	(268,875)	(399,872)	(866,398)	124,491	292,389	1,615,994	(4,013,179)
Total District Net Position	<u>\$ 3,136,667</u>	<u>\$ 3,414,760</u>	<u>\$ 3,228,708</u>	<u>\$ 3,061,855</u>	<u>\$ 3,151,672</u>	<u>\$ 4,880,647</u>	<u>\$ 5,853,155</u>	<u>\$ 7,792,873</u>	<u>\$ 4,728,590</u>

SHORE REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST NINE FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:									
Governmental Activities:									
Instruction:									
Regular	\$ (4,981,560)	\$ (5,330,477)	\$ (5,430,366)	\$ (5,840,534)	\$ (5,571,442)	\$ (5,902,339)	\$ (3,985,074)	\$ (3,871,622)	\$ (4,103,905)
Special Education	(792,523)	(843,254)	(826,806)	(831,317)	(835,204)	(753,580)	(494,990)	(636,107)	(756,844)
Other Special Education	(49,253)	(4,048)	(3,443)	(3,599)	(3,674)	(10,912)			
Other Instruction	(864,490)	(907,024)	(739,213)	(816,088)	(840,943)	(1,022,530)	(835,507)	(854,356)	(1,010,793)
Support Services:									
Tuition	(1,525,645)	(1,640,938)	(1,666,217)	(1,753,879)	(1,657,703)	(1,947,840)	(1,491,446)	(1,534,024)	(1,823,538)
Student and Instruction Related Services	(1,801,768)	(1,727,738)	(1,902,026)	(1,920,215)	(1,991,345)	(2,055,916)	(1,632,615)	(1,793,014)	(1,612,919)
School Administrative Services	(597,167)	(642,285)	(653,994)	(655,105)	(586,220)	(561,903)	(333,544)	(564,785)	(638,707)
General Administration	(440,488)	(371,098)	(557,978)	(539,456)	(508,150)	(476,171)	(365,221)	(249,485)	(79,307)
Central Services	(364,200)	(398,559)	(239,691)	(371,846)	(234,934)	(268,415)	(207,671)	(171,943)	(251,555)
Administrative Information Technology	(15,299)	(11,259)	(29,043)	(32,479)	(31,007)	(28,464)	(68,836)		(33,140)
Plant Operations and Maintenance	(1,567,822)	(1,559,062)	(1,573,997)	(1,475,334)	(1,361,543)	(1,498,831)	(1,503,898)	(1,421,592)	(1,557,393)
Pupil Transportation	(1,351,689)	(1,439,176)	(1,579,316)	(1,511,093)	(1,773,978)	(1,574,030)	(1,010,342)	(1,413,807)	(1,098,444)
Employee Benefits							(3,403,553)	(3,223,792)	(3,281,736)
Interest on Long-Term Debt			(5,625)	(294,981)	(443,732)	(426,082)	(414,596)	(387,238)	(392,136)
Unallocated Depreciation							(1,173,682)	(451,693)	(100,663)
Total Governmental Activities Expenses	<u>(14,351,905)</u>	<u>(14,874,917)</u>	<u>(15,207,715)</u>	<u>(16,045,925)</u>	<u>(15,839,875)</u>	<u>(16,527,015)</u>	<u>(16,920,973)</u>	<u>(16,573,458)</u>	<u>(16,741,080)</u>
Business-Type Activities:									
Food Service	<u>(332,066)</u>	<u>(314,641)</u>	<u>(205,712)</u>	<u>(219,992)</u>	<u>(234,890)</u>	<u>(202,441)</u>	<u>(207,261)</u>	<u>(200,746)</u>	<u>(195,868)</u>
Total Business-Type Activities Expenses	<u>(332,066)</u>	<u>(314,641)</u>	<u>(205,712)</u>	<u>(219,992)</u>	<u>(234,890)</u>	<u>(202,441)</u>	<u>(207,261)</u>	<u>(200,746)</u>	<u>(195,868)</u>
Total District Expenses	<u>\$ (14,683,970)</u>	<u>\$ (15,189,558)</u>	<u>\$ (15,413,427)</u>	<u>\$ (16,265,917)</u>	<u>\$ (16,074,765)</u>	<u>\$ (16,729,455)</u>	<u>\$ (17,128,234)</u>	<u>\$ (16,774,204)</u>	<u>\$ (16,936,948)</u>
Program Revenues:									
Governmental Activities:									
Charges for Services:									
Instruction (Tuition)	\$ 64,888	\$ 40,000	\$ 20,000	\$ 30,000	\$ 20,000	\$ 58,222	\$ 78,000	\$ 118,000	\$ 142,500
Pupil Transportation	52,056	56,250	51,134	238,268	389,245	157,439	352,672	340,638	133,835
Operating Grants and Contributions	251,134	251,134	278,635	271,782		10,568	441,998	210,865	213,795
Capital Grants and Contributions	5,083								
Total Governmental Activities Program Revenues	<u>373,161</u>	<u>347,384</u>	<u>349,769</u>	<u>540,050</u>	<u>409,245</u>	<u>226,229</u>	<u>872,670</u>	<u>669,503</u>	<u>490,130</u>
Business-Type Activities:									
Charges for Services:									
Food Service	<u>234,050</u>	<u>195,705</u>	<u>167,625</u>	<u>177,864</u>	<u>217,122</u>	<u>161,888</u>	<u>194,082</u>	<u>171,318</u>	<u>188,830</u>
Total Business-Type Activities Program Revenues	<u>234,050</u>	<u>195,705</u>	<u>167,625</u>	<u>177,864</u>	<u>217,122</u>	<u>161,888</u>	<u>194,082</u>	<u>171,318</u>	<u>188,830</u>
Total District Program Revenues	<u>\$ 607,211</u>	<u>\$ 543,089</u>	<u>\$ 517,394</u>	<u>\$ 717,915</u>	<u>\$ 626,367</u>	<u>\$ 388,117</u>	<u>\$ 1,066,752</u>	<u>\$ 840,821</u>	<u>\$ 678,960</u>

SHORE REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST NINE FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense)/Revenue:									
Governmental Activities	\$ (13,978,744)	\$ (14,527,533)	\$ (14,857,946)	\$ (15,505,874)	\$ (15,430,629)	\$ (16,300,785)	\$ (16,048,303)	\$ (15,903,955)	\$ (16,250,950)
Business-Type Activities	(98,016)	(118,936)	(38,088)	(42,128)	(17,768)	(40,553)	(13,179)	(29,428)	(7,038)
<b>Total District-wide Net (Expense)/Revenue</b>	<b>\$ (14,076,759)</b>	<b>\$ (14,646,469)</b>	<b>\$ (14,896,033)</b>	<b>\$ (15,548,002)</b>	<b>\$ (15,448,397)</b>	<b>\$ (16,341,338)</b>	<b>\$ (16,061,482)</b>	<b>\$ (15,933,383)</b>	<b>\$ (16,257,988)</b>
General Revenues and Other Changes in Net Assets:									
Governmental Activities:									
Property Taxes Levied for General Purposes, Net	\$ 12,051,366	\$ 12,645,237	\$ 13,151,046	\$ 13,677,088	\$ 14,104,171	\$ 14,386,255	\$ 14,673,980	\$ 13,998,200	\$ 14,047,137
Taxes Levied for Debt Service						1,367,917	633,245	644,451	637,923
Unrestricted Grants and Contributions	2,107,508	2,102,907	1,434,815	1,515,704	1,397,823	2,263,233	1,905,501	2,641,042	2,877,415
Investment Earnings	84,994	58,010	28,736	80,636	4,826	0	1,360		
Miscellaneous Income	71,903	113,455	41,401	92,520	31,366	52,908	51,390	91,843	10,777
Transfers	(91,061)	(120,857)				(10,000)	(10,000)		
<b>Total Governmental Activities</b>	<b>14,224,709</b>	<b>14,798,753</b>	<b>14,655,999</b>	<b>15,365,948</b>	<b>15,538,186</b>	<b>18,060,313</b>	<b>17,255,476</b>	<b>17,375,536</b>	<b>17,573,252</b>
Business-Type Activities:									
Investment Earnings	6,954	4,952	1,621	279	27		43	37	52
Transfers	91,061	120,857	52,361			10,000	10,000		
<b>Total Business-Type Activities</b>	<b>98,016</b>	<b>125,809</b>	<b>53,982</b>	<b>279</b>	<b>27</b>	<b>10,000</b>	<b>10,043</b>	<b>37</b>	<b>52</b>
<b>Total District-wide</b>	<b>\$ 14,322,725</b>	<b>\$ 14,924,562</b>	<b>\$ 14,709,981</b>	<b>\$ 15,366,227</b>	<b>\$ 15,538,214</b>	<b>\$ 18,070,313</b>	<b>\$ 17,265,519</b>	<b>\$ 17,375,573</b>	<b>\$ 17,573,304</b>
Changes in Net Position:									
Governmental Activities	\$ 245,966	\$ 271,220	\$ (201,947)	\$ (139,926)	\$ 107,557	\$ 1,759,528	\$ 1,207,173	\$ 1,471,581	\$ (1,138,253)
Business-Type Activities		6,873	15,894	(41,849)	(17,741)	(30,553)	(3,136)	(29,391)	6,507
<b>Total District</b>	<b>\$ 245,966</b>	<b>\$ 278,093</b>	<b>\$ (186,052)</b>	<b>\$ (181,775)</b>	<b>\$ 89,816</b>	<b>\$ 1,728,975</b>	<b>\$ 1,204,037</b>	<b>\$ 1,442,190</b>	<b>\$ (1,131,746)</b>

SHORE REGIONAL HIGH SCHOOL DISTRICT  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST NINE FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (UNAUDITED)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund:									
Reserved	\$ 1,041,980	\$ 789,094	\$ 284,060	\$ 263,344					
Unreserved	238,521	294,403	239,616	275,839					
Restricted					\$ 414,304	\$ 914,305	\$ 1,498,989	\$ 1,408,303	\$ 310,626
Assigned					111,816	540,225	1,050,590	938,606	866,230
Unassigned					578,461	534,147	378,863	426,945	378,160
Total General Fund	<u>\$ 1,280,501</u>	<u>\$ 1,083,498</u>	<u>\$ 523,676</u>	<u>\$ 539,183</u>	<u>\$ 1,104,581</u>	<u>\$ 1,988,677</u>	<u>\$ 2,928,442</u>	<u>\$ 2,773,854</u>	<u>\$ 1,555,016</u>
All Other Governmental Funds:									
Reserved				\$ 59,069					
Unreserved, Reported In:									
Special Revenue Fund									
Capital Projects Fund	\$		\$ -868,960	2,951,825					231,529
Debt Service Fund			27,715	105,383					72
Restricted for:									
Capital Projects Fund					\$ 236,273	\$ 231,529	231,529	231,529	
Debt Service Fund					-1,008,420	109,195	\$ 109,267	\$ 206,015	\$ 206,015
Total All Other Governmental Funds	<u>\$</u>	<u>\$</u>	<u>\$ -841,245</u>	<u>\$ 3,116,277</u>	<u>\$ -772,147</u>	<u>\$ 340,724</u>	<u>\$ 340,796</u>	<u>\$ 437,544</u>	<u>\$ 437,616</u>

SHORE REGIONAL HIGH SCHOOL DISTRICT

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(UNAUDITED)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues:</b>										
Tax Levy	\$ 11,264,762	\$ 12,051,366	\$ 12,645,237	\$ 13,151,046	\$ 13,677,088	\$ 14,104,171	\$ 15,754,172	\$ 15,307,225	\$ 14,642,651	\$ 14,685,060
Other Local Government Units - Restricted			53,846					78,000	118,000	142,500
Tuition Charges	25,000	64,888	40,000	20,000	30,000	20,000	58,222	352,672	340,638	133,853
Interest Earnings	46,482	84,994	58,010	22,886	3,063	1,140	5			1,360
Miscellaneous	93,715	122,964	115,859	79,836	408,285	424,298	194,300	51,390	23,685	14,812
State Sources	1,743,492	2,089,494	2,154,872	1,517,484	1,481,469	1,192,325	2,199,996	2,011,410	1,857,840	2,109,982
Federal Sources	170,289	274,230	199,169	195,966	306,017	205,498	73,806	336,089	990,527	977,193
<b>Total Revenues</b>	<b>13,343,739</b>	<b>14,687,937</b>	<b>15,266,994</b>	<b>14,987,218</b>	<b>15,905,922</b>	<b>15,947,432</b>	<b>18,280,501</b>	<b>18,138,146</b>	<b>17,973,341</b>	<b>18,063,400</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular	3,476,806	3,507,116	3,809,397	3,898,306	4,045,346	3,672,367	3,656,061	3,985,074	3,871,622	4,103,905
Special	500,681	543,412	558,056	549,562	543,440	508,559	444,312	494,990	636,107	756,844
Other	64,790	46,749	1,093							
School-Sponsored/Other Instructional	631,757	660,814	692,554	703,209	778,462	802,529	908,446	835,507	854,356	1,010,793
<b>Support Services and Undistributed Costs:</b>										
Tuition	1,268,702	1,525,645	1,640,938	1,666,217	1,753,879	1,657,703	1,947,840	1,491,446	1,534,024	1,823,538
Student and Instruction Related Services	1,180,307	1,349,402	1,225,790	1,404,189	1,411,634	1,411,773	1,500,561	1,632,615	1,634,709	1,612,919
General Administration	499,030	437,843	371,676	421,651	382,190	329,402	312,438	333,544	249,485	79,307
School Administrative Services	430,629	445,614	485,989	502,166	480,159	387,603	375,875	365,221	564,785	638,707
Central Services	211,589	225,063	257,469	237,940	370,016	233,065	262,864	207,671		251,555
Admin. Information Technology	12,875	15,299	11,259	29,043	32,479	31,007	28,464	68,836		33,140
Plant Operations and Maintenance	1,366,206	1,493,800	1,483,542	1,562,648	1,463,469	1,348,581	1,458,286	1,503,898	1,421,592	1,557,393
Pupil Transportation	882,318	1,005,287	1,051,744	1,173,005	1,057,901	1,201,843	961,873	1,267,679	1,413,807	1,098,444
Business and Other Support Services										
Employee Benefits	2,522,930	2,945,701	3,134,799	2,814,257	3,169,965	3,455,315	3,224,023	3,401,186	3,223,792	3,381,453
Special Schools								641,181		
Capital Outlay	133,481	315,424	618,835	2,056,197	10,843,029	3,113,222	637,380		1,775,900	1,913,312
Special Revenue										
Debt Service:										
Principal						499,000	525,000	540,000	555,000	570,000
Interest and Other Charges						618,489	430,113	419,463	408,513	396,550
<b>Total Expenditures</b>	<b>13,182,102</b>	<b>14,517,170</b>	<b>15,343,140</b>	<b>17,018,390</b>	<b>26,331,970</b>	<b>19,270,458</b>	<b>16,673,535</b>	<b>17,188,309</b>	<b>18,143,692</b>	<b>19,227,860</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures</b>	<b>161,637</b>	<b>170,767</b>	<b>(76,147)</b>	<b>(2,031,172)</b>	<b>(10,426,048)</b>	<b>(3,323,026)</b>	<b>1,606,966</b>	<b>949,837</b>	<b>(170,351)</b>	<b>(1,164,460)</b>
<b>Other Financing Sources/(Uses):</b>										
Proceeds From Borrowing					13,999,000					
Capital Leases (Non-Budgeted)	300,000	400,995			400,000		400,000			
Proceeds From Refunding										
Payments To Escrow Agent										
Interest										
Transfers In	60,971	5,083		27,715	77,668	3,686	125		88,143	
Transfers Out	(145,863)	(96,144)	(120,857)	(14,465)	(77,592)	(3,686)	(10,125)	(10,000)	(16,445)	(13,493)
<b>Total Other Financing Sources/(Uses)</b>	<b>215,108</b>	<b>309,934</b>	<b>(120,857)</b>	<b>13,250</b>	<b>400,077</b>		<b>390,000</b>	<b>(10,000)</b>	<b>71,698</b>	<b>(13,493)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 376,745</b>	<b>\$ 480,701</b>	<b>\$ (197,003)</b>	<b>\$ (2,017,922)</b>	<b>\$ (10,025,971)</b>	<b>\$ (3,323,026)</b>	<b>\$ 1,996,966</b>	<b>\$ 939,837</b>	<b>\$ (98,653)</b>	<b>\$ (1,177,953)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>							5.80%	5.73%	5.80%	5.31%
Source: District records										5.91%

Note: Noncapital expenditures are total expenditures less Capital Outlay.  
 Central Service and Administrative Information Technology account classifications were added beginning with year-end June 30, 2005.  
 Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.  
 \* Special Revenue allocation not available  
 \*\* Debt Service breakdown not available  
 \*\*\* Other Financing Sources/(Uses) not available

SHORE REGIONAL HIGH SCHOOL DISTRICT  
 GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
 LAST TEN FISCAL YEARS  
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
 (UNAUDITED)

<u>Fiscal Year Ending June 30,</u>	<u>Interest on Investments</u>	<u>Interest Earned on Capital Reserve Account</u>	<u>Tuition from Individuals</u>	<u>Prior Year Refunds</u>	<u>Courtesy Busing</u>	<u>Miscellaneous</u>	<u>Annual Totals</u>
2006	\$ 46,262	219	25,000	28,923	26,291	37,759	164,454
2007	84,700	293	64,888	360	52,056	70,548	272,846
2008	55,308	2,702	40,000	18,591	56,250	25,518	198,369
2009	14,211	60	20,000	14,225	51,134	7,176	106,807
2010	2,866	179	30,000	63,185	238,268	24,768	359,265
2011	1,135	5	20,000	11,783	389,245	9,745	431,913
2012	5	0	58,222	10,534	157,439	19,543	245,743
2013	1,287		78,000	22,888		8,579	110,754
2014	5,990	1,256	118,000	10,190	340,638	6,249	482,323
2015	4,950	1,598	32,500		133,853	4,157	177,058

Source: District records

SHORE REGIONAL HIGH SCHOOL DISTRICT  
ASSESSSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS  
(UNAUDITED)

MONMOUTH BEACH BOROUGH

Fiscal Year Ending June 30,	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>
2006	13,824,300	1,186,508,500	-	-	30,475,500	-	-
2007	15,683,600	1,194,502,400	-	-	30,062,200	-	-
2008	15,067,300	1,201,782,600	-	-	30,475,500	-	-
2009	15,598,000	1,214,874,100	-	-	30,475,500	-	-
2010	16,764,900	1,211,963,400	-	-	30,058,200	-	-
2011	17,352,100	1,214,679,400	-	-	30,058,200	-	-
2012	18,140,900	1,212,109,300	-	-	29,959,300	-	-
2013	20,891,300	1,162,438,100	-	-	27,135,300	-	-
2014	24,111,700	1,149,974,300	-	-	28,698,900	-	-
2015	24,605,200	1,237,738,900	-	-	37,534,800	-	-
		Less:				Total	
	Total Assessed	Tax-Exempt	Public	Net Valuation	Estimated Actual	Direct	
	<u>Value</u>	<u>Property</u>	<u>Utilities<sup>a</sup></u>	<u>Taxable</u>	(County Equalized) Value	School	
						Tax Rate <sup>b</sup>	
2006	1,281,489,400	50,681,100	365,292	1,231,173,592	1,210,723,034	0.306	
2007	1,291,208,800	50,960,600	335,760	1,240,583,960	1,397,874,542	0.312	
2008	1,247,325,400	51,071,400	341,339	1,196,595,339	1,450,654,540	0.319	
2009	1,260,947,600	50,674,800	373,768	1,210,646,568	1,457,057,935	0.325	
2010	1,258,786,500	50,674,800	386,741	1,208,498,441	1,423,404,577	0.338	
2011	1,262,089,700	51,072,600	320,759	1,211,337,859	1,368,632,937	0.337	
2012	1,260,209,500	51,072,600	326,756	1,209,463,656	1,336,713,919	0.343	
2013	1,210,464,700	51,288,600	303,032	1,159,479,132	1,296,305,263	0.343	
2014	1,202,784,900	50,808,500	303,032	1,152,279,432	1,269,533,083	0.352	
2015	1,299,878,900	50,808,500	337,906	1,249,408,306	1,300,216,806	0.352	

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

N/A At the time of CAFR Completion, this data was not yet available

SHORE REGIONAL HIGH SCHOOL DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS  
(UNAUDITED)

OCEANPORT BOROUGH

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>
2006	28,674,500	1,145,333,000	499,500	9,000	156,097,600	-	669,800
2007	28,480,600	1,149,894,400	499,500	9,000	156,003,000	-	669,800
2008	31,764,900	1,154,034,200	499,500	9,000	155,484,500	-	669,800
2009	24,639,300	1,174,226,000	499,500	9,000	155,282,800	-	669,800
2010	20,113,000	902,441,200	437,100	7,500	121,572,000	-	-
2011	18,635,700	907,075,300	437,100	7,500	121,572,100	-	-
2012	17,184,500	910,352,200	437,100	7,500	121,572,100	-	-
2013	14,773,200	882,866,800	437,100	7,500	121,410,200	-	-
2014	20,350,900	889,703,900	437,100	7,500	121,465,400	-	-
2015	17,543,200	887,186,500	430,900	7,500	122,748,400	-	-
		Less:				Total	
	<u>Total Assessed</u>	<u>Tax-Exempt</u>	<u>Public</u>	<u>Net Valuation</u>	<u>Estimated Actual</u>	<u>Direct</u>	
	<u>Value</u>	<u>Property</u>	<u>Utilities<sup>a</sup></u>	<u>Taxable</u>	<u>(County</u>	<u>School</u>	
					<u>Equalized) Value</u>	<u>Tax Rate<sup>b</sup></u>	
2006	1,331,283,400	-	704,153	1,331,987,553	1,102,122,205	0.507	
2007	1,335,556,300	-	717,905	1,336,274,205	1,240,459,924	0.522	
2008	1,342,461,900	-	787,086	1,343,248,986	1,305,243,150	0.566	
2009	1,355,326,400	-	859,806	1,356,186,206	1,324,386,267	0.573	
2010	1,044,570,900	-	1,383,102	1,045,954,002	1,302,431,303	0.764	
2011	1,047,727,700	-	636,765	1,048,364,465	1,212,620,231	0.762	
2012	1,049,553,400	-	638,920	1,050,192,320	1,194,628,446	0.761	
2013	1,019,494,800	-	639,015	1,020,133,815	1,170,057,750	0.784	
2014	1,031,964,800	-	639,015	1,032,603,815	1,124,668,563	0.806	
2015	1,027,916,500	-	571,606	1,028,488,106	1,144,745,650	0.806	

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

N/A At the time of CAFR Completion, this data was not yet available

SHORE REGIONAL HIGH SCHOOL DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS  
(UNAUDITED)

SEA BRIGHT BOROUGH

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>
2006	15,145,000	396,274,800	-	-	95,361,500	-	6,315,000
2007	11,789,600	413,847,100	-	-	88,605,000	-	5,555,100
2008	10,017,400	419,722,500	-	-	88,474,800	-	5,555,100
2009	9,226,400	421,784,300	-	-	88,810,100	-	5,184,800
2010	4,686,400	423,001,400	-	-	88,189,800	-	4,964,800
2011	4,111,400	423,328,700	-	-	86,849,100	-	4,964,800
2012	3,255,100	425,051,100	-	-	84,860,100	-	4,814,800
2013	11,132,400	381,395,100	-	-	51,674,800	-	3,228,500
2014	12,691,500	383,462,000	-	-	64,550,900	-	3,260,100
2015	9,708,400	357,162,100	-	-	67,636,300	-	2,865,000

	<u>Total Assessed</u> <u>Value</u>	<u>Less:</u> <u>Tax-Exempt</u> <u>Property</u>	<u>Public</u> <u>Utilities<sup>a</sup></u>	<u>Net Valuation</u> <u>Taxable</u>	<u>Estimated Actual</u> <u>(County</u> <u>Equalized) Value</u>	<u>Total</u> <u>Direct</u> <u>School</u> <u>Tax Rate<sup>b</sup></u>
2006	513,096,300	-	303,047	513,399,347	646,747,974	0.160
2007	519,796,800	-	293,725	520,090,525	897,871,227	0.166
2008	523,769,800	-	320,050	524,089,850	870,251,863	0.171
2009	525,005,600	-	405,498	525,411,098	830,401,713	0.171
2010	520,842,400	-	417,603	521,260,003	773,609,622	0.183
2011	519,254,000	-	382,031	519,636,031	764,116,137	0.209
2012	517,981,100	-	356,718	518,337,818	766,356,363	0.189
2013	447,430,800	-	373,494	447,804,294	732,278,578	0.159
2014	463,964,500	-	373,494	464,337,994	693,849,625	0.122
2015	437,371,800	-	328,256	437,700,056	636,906,890	0.122

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

N/A At the time of CAFR Completion, this data was not yet available

SHORE REGIONAL HIGH SCHOOL DISTRICT  
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS  
(UNAUDITED)

WEST LONG BRANCH BOROUGH

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>
2006	13,726,300	1,071,212,300	2,489,900	157,500	264,299,200	3,254,900	1,907,600
2007	12,951,100	1,075,993,300	1,625,900	17,600	262,126,700	3,254,900	1,907,600
2008	11,834,400	1,081,943,400	1,625,900	17,600	254,243,700	3,254,900	1,907,600
2009	14,361,500	1,080,916,700	1,625,900	17,600	254,648,500	3,254,900	1,907,600
2010	18,132,300	1,082,524,800	1,625,900	17,600	247,955,700	6,254,900	1,907,600
2011	16,116,200	1,075,233,300	1,625,900	17,600	239,584,400	3,254,900	8,013,700
2012	15,459,600	1,068,747,000	1,625,900	17,600	235,078,900	3,254,900	28,007,600
2013	11,948,000	870,940,000	1,398,700	6,900	203,367,000	2,730,800	31,318,600
2014	12,010,700	869,108,400	1,398,700	6,900	203,181,800	2,730,800	31,318,600
2015	14,306,000	940,896,800	1,473,000	6,900	206,439,600	2,845,500	29,177,600
	<u>Total Assessed Value</u>	<u>Less: Tax-Exempt Property</u>	<u>Public Utilities<sup>a</sup></u>	<u>Net Valuation Taxable</u>	<u>Estimated Actual (County Equalized) Value</u>	<u>Total Direct School Tax Rate<sup>b</sup></u>	
2006	1,357,047,700	-	1,125,666	1,358,173,366	1,229,675,960	0.659	
2007	1,357,877,100	-	1,104,472	1,358,981,572	1,431,702,826	0.688	
2008	1,354,827,500	-	1,121,950	1,355,949,450	1,467,642,654	0.712	
2009	1,356,732,700	-	1,213,791	1,357,946,491	1,441,100,431	0.729	
2010	1,355,418,800	-	1,260,759	1,356,679,559	1,378,188,012	0.732	
2011	1,343,846,000	-	1,052,134	1,344,898,134	1,329,061,308	0.709	
2012	1,352,191,500	-	1,009,980	1,353,201,480	1,235,297,174	0.710	
2013	1,121,710,000	-	929,005	1,122,639,005	1,286,974,317	0.867	
2014	1,119,755,900	-	929,005	1,120,684,905	1,246,166,572	0.872	
2015	1,195,145,400	-	714,980	1,195,860,380	1,225,860,984	0.872	

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

b Tax rates are per \$100

N/A At the time of CAFR Completion, this data was not yet available

SHORE REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUE)  
(UNAUDITED)

Fiscal Year Ending June 30,	Monmouth Beach School District Direct Rate (From J-6)			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct School Tax Rate	Borough of Monmouth Beach	Regional School Rate	Monmouth County	Fire District	
2006	0.306	-	0.306	0.274	0.235	0.292	-	1.107
2007	0.312	-	0.312	0.279	0.256	0.304	-	1.151
2008	0.319	-	0.319	0.297	0.253	0.296	-	1.165
2009	0.325	-	0.325	0.307	0.270	0.297	-	1.199
2010	0.338	-	0.338	0.318	0.279	0.305	-	1.240
2011	0.337	-	0.337	0.323	0.322	0.305	-	1.287
2012	0.343	-	0.343	0.328	0.309	0.307	-	1.287
2013	0.343	-	0.343	0.328	0.300	0.312	-	1.283
2014	0.325	-	0.352	0.333	0.292	0.323	-	1.300
2015								- Data Not Available At Time of CAFR Completion -

Source: Municipal Tax Assessor

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.

b Rates for debt service are based on each year's requirements.

N/A At the time of CAFR Completion, this data was not yet available

SHORE REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUE)  
(UNAUDITED)

Fiscal Year Ending June 30,	Oceanport School District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	(From J-6) Total Direct School Tax Rate	Borough of Oceanport	Regional School Rate	Monmouth County	Fire District	
2006	0.507	-	0.507	0.305	0.244	0.250	-	1.306
2007	0.522	-	0.522	0.332	0.238	0.254	-	1.346
2008	0.566	-	0.566	0.360	0.234	0.251	-	1.411
2009	0.573	-	0.573	0.380	0.262	0.255	-	1.470
2010	0.764	-	0.764	0.519	0.357	0.344	-	1.984
2011	0.762	-	0.762	0.528	0.419	0.332	-	2.041
2012	0.761	-	0.761	0.528	0.422	0.338	-	2.049
2013	0.784	-	0.784	0.508	0.405	0.346	-	2.043
2014	0.579	-	0.806	0.539	0.352	0.348	-	2.045
2015								

- Data Not Available At Time of CAFR Completion -

Source: Municipal Tax Assessor

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.

b Rates for debt service are based on each year's requirements.

N/A At the time of CAFR Completion, this data was not yet available

SHORE REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUE)  
(UNAUDITED)

Fiscal Year Ending June 30,	Sea Bright School District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	(From J-6) Total Direct School Tax Rate	Borough of Sea Bright	Regional School Rate	Monmouth County	Fire District	
2006	0.160	-	0.160	0.592	0.299	0.373	-	1.424
2007	0.166	-	0.166	0.622	0.351	0.454	-	1.593
2008	0.171	-	0.171	0.648	0.417	0.423	-	1.659
2009	0.171	-	0.171	0.677	0.347	0.407	-	1.602
2010	0.183	-	0.183	0.706	0.356	0.399	-	1.644
2011	0.209	-	0.209	0.739	0.329	0.412	-	1.689
2012	0.189	-	0.189	0.766	0.411	0.431	-	1.797
2013	0.159	-	0.159	0.775	0.444	0.424	-	1.802
2014	0.499	-	0.122	0.808	0.586	0.481	-	1.997
2015				- Data Not Available At Time of CAFR Completion -				

Source: Municipal Tax Assessor

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.

b Rates for debt service are based on each year's requirements.

N/A At the time of CAFR Completion, this data was not yet available

SHORE REGIONAL HIGH SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS  
(RATE PER \$100 OF ASSESSED VALUE)  
(UNAUDITED)

Fiscal Year Ending June 30,	West Long Branch School District Direct Rate (From J-6)			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct School Tax Rate	Borough of West Long Branch	Regional School Rate	Monmouth County	Fire District	
2006	0.659	-	0.659	0.355	0.313	0.267	-	1.594
2007	0.688	-	0.688	0.384	0.325	0.284	-	1.681
2008	0.712	-	0.712	0.404	0.337	0.275	-	1.728
2009	0.729	-	0.729	0.436	0.352	0.272	-	1.789
2010	0.732	-	0.732	0.475	0.366	0.276	-	1.849
2011	0.709	-	0.709	0.502	0.394	0.275	-	1.880
2012	0.710	-	0.710	0.524	0.386	0.267	-	1.887
2013	0.867	-	0.867	0.669	0.428	0.347	-	2.311
2014	0.647	-	0.872	0.692	0.422	0.345	-	2.331
2015								

- Data Not Available At Time of CAFR Completion -

Source: Municipal Tax Assessor

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.

b Rates for debt service are based on each year's requirements.

N/A At the time of CAFR Completion, this data was not yet available

SHORE REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

MONMOUTH BEACH BOROUGH

	2015			2006		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Individual Taxpayer #1	\$	1		\$	1	
Individual Taxpayer #2		2			2	
Individual Taxpayer #3		3			3	
Individual Taxpayer #4		4		NO DATA	4	
Individual Taxpayer #5		5		AVAILABLE	5	
Individual Taxpayer #6		6			6	
Individual Taxpayer #7		7			7	
Individual Taxpayer #8		8			8	
Individual Taxpayer #9		9			9	
Individual Taxpayer #10		10			10	
<b>Total</b>	<b>\$</b>			<b>\$</b>		

Source: Municipal Tax Assessor

SHORE REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

OCEANPORT BOROUGH

	2015			2006		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Individual Taxpayer #1	\$	1		\$	1	
Individual Taxpayer #2		2			2	
Individual Taxpayer #3		3			3	
Individual Taxpayer #4		4			4	
Individual Taxpayer #5		5	NO DATA AVAILABLE		5	
Individual Taxpayer #6		6			6	
Individual Taxpayer #7		7			7	
Individual Taxpayer #8		8			8	
Individual Taxpayer #9		9			9	
Individual Taxpayer #10		10			10	
Total	\$			\$		

Source: Municipal Tax Assessor

SHORE REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

SEA BRIGHT BOROUGH

	2015			2006		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Individual Taxpayer #1	\$	1		\$	1	
Individual Taxpayer #2		2			2	
Individual Taxpayer #3		3			3	
Individual Taxpayer #4		4			4	
Individual Taxpayer #5		5	NO DATA AVAILABLE		5	
Individual Taxpayer #6		6			6	
Individual Taxpayer #7		7			7	
Individual Taxpayer #8		8			8	
Individual Taxpayer #9		9			9	
Individual Taxpayer #10		10			10	
Total	\$			\$		

Source: Municipal Tax Assessor

SHORE REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

WEST LONG BRANCH BOROUGH

	2015			2006		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Individual Taxpayer #1	\$	1		\$	1	
Individual Taxpayer #2		2			2	
Individual Taxpayer #3		3			3	
Individual Taxpayer #4		4			4	
Individual Taxpayer #5		5	NO DATA AVAILABLE		5	
Individual Taxpayer #6		6			6	
Individual Taxpayer #7		7			7	
Individual Taxpayer #8		8			8	
Individual Taxpayer #9		9			9	
Individual Taxpayer #10		10			10	
Total	\$			\$		

Source: Municipal Tax Assessor

## SHORE REGIONAL HIGH SCHOOL DISTRICT

## PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for <u>the Fiscal Year</u>	Collected Within the Fiscal Year of the Levy <sup>a</sup>		Collections in Subsequent <u>Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2006	11,264,762	11,264,762	100.00%	-
2007	12,051,366	12,051,366	100.00%	-
2008	12,645,237	6,783,320	100.00%	-
2009	13,151,046	7,033,141	100.00%	-
2010	13,677,088	7,190,126	100.00%	-
2011	14,104,171	7,160,883	100.00%	-
2012	15,754,172	15,754,172	100.00%	-
2013	15,307,225	15,307,225	100.00%	-
2014	14,819,624	14,819,624	100.00%	-
2015	14,381,212	14,381,212	100.00%	-

Source: District records including the Certificate and Report of School Taxes (A4F form)

- a School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

## SHORE REGIONAL HIGH SCHOOL DISTRICT

## RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS  
(UNAUDITED)

Fiscal Year Ending June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2006	-	-	412,737.83	-	-	412,737.83	N/A	21.24	
2007	-	-	585,762.35	-	-	585,762.35	N/A	N/A	
2008	-	-	377,924.49	-	-	377,924.49	0.05%	19.23	
2009	-	-	765,993.23	-	-	765,993.23	N/A	39.33	
2010	\$ 13,999,000	-	1,032,944.00	-	-	15,031,944.00	2.17%	769.88	
2011	13,500,000	-	623,556.18	-	-	14,123,556.18	2.00%	758.52	
2012	12,975,000	-	802,433.45	-	-	13,777,433.45	1.74%	739.93	
2013	12,435,000	-	893,159.54	-	-	13,328,159.54	1.69%	715.80	
2014	11,880,000	-	768,376.56	-	-	12,648,376.56	1.60%	679.29	
2015	11,310,000	-	511,675.00	-	-	11,821,675.00	1.50%	634.89	

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

b Includes Early Retirement Incentive Plan ("ERIP") refunding  
N/A At the time of CAFR completion, data was not yet available

## SHORE REGIONAL HIGH SCHOOL DISTRICT

## RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>General Bonded Debt Outstanding</u>		<u>Net</u> <u>General</u> <u>Bonded Debt</u> <u>Outstanding</u>	<u>Percentage of</u> <u>Actual Taxable</u> <u>Value<sup>a</sup> of</u> <u>Property</u>	<u>Per</u> <u>Capita<sup>b</sup></u>
	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>			
2006	None	None	None	N/A	N/A
2007	None	None	None	N/A	N/A
2008	None	None	None	N/A	N/A
2009	None	None	None	N/A	N/A
2010	\$ 13,999,000.00	None	\$ 13,999,000.00	0.33%	N/A
2011	13,500,000.00	None	13,500,000.00	0.29%	N/A
2012	12,975,000.00	None	12,975,000.00	0.29%	N/A
2013	12,435,000.00	None	12,435,000.00	0.27%	N/A
2014	11,880,000.00	None	11,880,000.00	0.26%	N/A
2015	11,310,000.00	None	11,310,000.00	0.25%	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

## SHORE REGIONAL HIGH SCHOOL DISTRICT

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2015  
(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable<sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Monmouth Beach Borough	\$ 4,527,346.32	100.00	\$ 4,527,346.32
Oceanport Borough	28,527,944.76	100.00	28,527,944.76
Sea Bright Borough	5,030,320.21	100.00	5,030,320.21
West Long Branch Borough	11,413,015.00	100.00	11,413,015.00
Monmouth County General Obligation Debt :			
Monmouth Beach Borough		1.186335	5,456,915.12
Oceanport Borough		0.999172	4,596,000.96
Sea Bright Borough		0.438511	2,017,067.11
West Long Branch Borough		1.099349	<u>5,056,796.08</u>
Subtotal, Overlapping Debt			66,625,405.55
Shore Regional High District Direct Debt			<u>11,880,000.00</u>
Total Direct and Overlapping Debt			<u>\$ 78,505,405.55</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation.  
Debt Outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Monmouth Beach Borough, Oceanport Borough, Sea Bright Borough and West Long Branch Borough. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

- a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.

SHORE REGIONAL HIGH SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS  
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2014	Total	Monmouth Beach Borough	Oceanport Borough	Sea Bright Borough	West Long Branch Borough
2015	\$	\$	\$	\$	\$
2014	4,448,620,318	1,300,533,906	1,162,480,020	730,457,411	1,255,148,981
2013	4,485,615,908	1,296,305,263	1,170,057,750	732,278,578	1,286,974,317
Equalized Valuation Basis	(A) \$ 4,485,615,908	\$ 1,296,305,263	\$ 1,170,057,750	\$ 732,278,578	\$ 1,286,974,317
Average Equalized Valuation of Taxable Property	(A/3) \$ 1,495,205,303				
Debt Limit (3% of Average Equalization Value)	(B) 44,856,159				
Total Net Debt Applicable To Limit	(C) 12,435,000				
Legal Debt Margin	(B-C) \$ 57,291,159				
	2004	2005	Fiscal Year 2006	2007	2008
Debt Limit	\$ 18,337,692	\$ 22,227,113	\$ 31,231,839	\$ 114,109,832	\$ 130,995,360
Total Net Debt Applicable To Limit	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Legal Debt Margin	\$ 18,337,692	\$ 22,227,113	\$ 31,231,839	\$ 114,109,832	\$ 130,995,360
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	2009	2010	2011	2012	2013
Debt Limit	\$ 149,380,978	\$ 149,380,978	\$ 146,179,977	\$ 140,850,600	\$ 44,856,159
Total Net Debt Applicable To Limit	Not Applicable	13,999,000	13,500,000	12,975,000	12,435,000
Legal Debt Margin	\$ 149,380,978	\$ 163,379,978	\$ 159,679,977	\$ 153,825,600	\$ 57,291,159
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit			9.24%	9.21%	27.72%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.

a Limit set by N.J.S.A. 18A:24-19 for a K through 12 District; other percentage limits would be applicable for other District types.

SHORE REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS  
(UNAUDITED)

MONMOUTH BEACH BOROUGH

<u>Year</u>	<u>Population</u> <sup>a</sup>	<u>Personal Income</u> <sup>b</sup>	<u>Per Capita Personal Income</u> <sup>c</sup>	<u>Unemployment Rate</u> <sup>d</sup>
2006	3,574	N/A	N/A	4.1%
2007	3,614	N/A	N/A	N/A
2008	3,576	192,840,576	52,862	3.8%
2009	3,567	N/A	N/A	N/A
2010	3,571	188,770,202	N/A	7.9%
2011	3,282	187,201,258	52,862	8.1%
2012	3,282	171,785,279	56,955	8.1%
2013	3,279	175,081,631	58,355	8.5%
2014	3,290	190,572,322	61,426	5.7%
2015	3,290	205,657,216	66,218	5.6%

Source:

<sup>a</sup> Population information provided by the NJ Department of Labor and Workforce Development.

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Department of Labor and Workforce Development.

N/A      At the time of CAFR Completion, this data was not yet available

## SHORE REGIONAL HIGH SCHOOL DISTRICT

## DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS  
(UNAUDITED)

## OCEANPORT BOROUGH

<u>Year</u>	<u>Population<sup>a</sup></u>	<u>Personal Income<sup>b</sup></u>	<u>Per Capita Personal Income<sup>c</sup></u>	<u>Unemployment Rate<sup>d</sup></u>
2006	5,751	N/A	N/A	2.2%
2007	N/A	N/A	N/A	N/A
2008	5,899	196,767,044	33,356	2.3%
2009	5,807	N/A	N/A	N/A
2010	5,730	191,129,820	33,356	4.3%
2011	5,832	210,094,767	36,024	4.3%
2012	5,837	257,224,916	44,068	4.4%
2013	5,833	264,756,440	47,578	4.6%
2014	5,816	281,814,931	51,384	5.7%
2015	5,816	300,588,654	54,749	5.6%

## Source:

<sup>a</sup> Population information provided by the NJ Department of Labor and Workforce Development.

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Department of Labor and Workforce Development.

N/A At the time of CAFR completion, data was not yet available.

## SHORE REGIONAL HIGH SCHOOL DISTRICT

## DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS  
(UNAUDITED)

## SEA BRIGHT BOROUGH

<u>Year</u>	<u>Population<sup>a</sup></u>	<u>Personal Income<sup>b</sup></u>	<u>Per Capita Personal Income<sup>c</sup></u>	<u>Unemployment Rate<sup>d</sup></u>
2006	1,799	N/A	N/A	5.0%
2007	N/A	N/A	N/A	N/A
2008	1,856	83,642,496	45,066	5.1%
2009	1,818	N/A	N/A	5.9%
2010	1,808	81,479,328	45,066	9.6%
2011	1,412	68,723,847	48,671	9.7%
2012	1,414	71,466,388	50,542	9.8%
2013	1,388	72,735,073	58,355	10.2%
2014	1,359	75,964,920	61,426	9.0%
2015	1,359	88,492,883	68,979	5.6%

## Source:

<sup>a</sup> Population information provided by the NJ Department of Labor and Workforce Development.

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Department of Labor and Workforce Development.

N/A At the time of CAFR completion, data was not yet available.

SHORE REGIONAL HIGH SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS  
(UNAUDITED)

WEST LONG BRANCH BOROUGH

<u>Year</u>	<u>Population<sup>a</sup></u>	<u>Personal Income<sup>b</sup></u>	<u>Per Capita Personal Income<sup>c</sup></u>	<u>Unemployment Rate<sup>d</sup></u>
2006	8,312	N/A	N/A	4.4%
2007	N/A	N/A	N/A	N/A
2008	8,254	228,231,354	27,651	4.6%
2009	8,258	N/A	N/A	5.2%
2010	8,416	232,710,816	27,651	8.5%
2011	8,097	241,801,359	29,863	8.6%
2012	8,105	261,403,484	32,252	8.7%
2013	8,516	259,255,305	33,491	9.1%
2014	8,509	269,775,871	34,764	8.8%
2015	8,352	283,558,418	35,965	5.6%

Source:

<sup>a</sup> Population information provided by the NJ Department of Labor and Workforce Development.

<sup>b</sup> Personal income has been estimated based upon the municipal population and per capita personal income presented.

<sup>c</sup> Per capita personal income by municipality estimated based upon the 2010 Census published by the US Bureau of Economic Analysis.

<sup>d</sup> Unemployment data provided by the NJ Department of Labor and Workforce Development.

N/A At the time of CAFR completion, data was not yet available.

SHORE REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

MONMOUTH BEACH BOROUGH

<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>
		1			1	
		2			2	
		3			3	
		4			4	
		5	DATA NOT AVAILABLE		5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
<u>Total</u>	<u>                    </u>		<u>                    </u>	<u>                    </u>		<u>                    </u>
	<u>                    </u>		<u>                    </u>	<u>                    </u>		<u>                    </u>

Source: \_\_\_\_\_

SHORE REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

OCEANPORT BOROUGH

<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>
		1			1	
		2			2	
		3			3	
		4			4	
		5	DATA NOT AVAILABLE		5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
<u>Total</u>	<u>                    </u>		<u>                    </u>	<u>                    </u>		<u>                    </u>
	<u>                    </u>		<u>                    </u>	<u>                    </u>		<u>                    </u>

Source: \_\_\_\_\_

SHORE REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

SEA BRIGHT BOROUGH

<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>
		1			1	
		2			2	
		3			3	
		4			4	
		5	DATA NOT AVAILABLE		5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
<u>Total</u>	<u>                    </u>		<u>                    </u>	<u>                    </u>		<u>                    </u>
	<u>                    </u>		<u>                    </u>	<u>                    </u>		<u>                    </u>

Source: \_\_\_\_\_

SHORE REGIONAL HIGH SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)

WEST LONG BRANCH BOROUGH

<u>Employer</u>	<u>2015</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>
		1			1	
		2			2	
		3			3	
		4			4	
		5	DATA NOT AVAILABLE		5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
<u>Total</u>	<u>                    </u>		<u>                    </u>	<u>                    </u>		<u>                    </u>
	<u>                    </u>		<u>                    </u>	<u>                    </u>		<u>                    </u>

Source: \_\_\_\_\_

SHORE REGIONAL HIGH SCHOOL DISTRICT

FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction:										
Regular	51.00	50.00	51.00	51.00	51.00	46.00	47.00	48.00	47.50	48.00
Special Education	9.00	9.00	9.00	8.00	9.00	8.00	9.00	9.00	9.00	9.00
Other Special Education										
Vocational										
Other Instruction										
Nonpublic School Programs										
Adult/Continuing Education Programs										
Support Services:										
Student and Instruction Related Services	10.00	10.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00
General Administration	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.00	2.00	2.00
School Administrative Services	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.00	5.00	5.00
Other Administrative Services										
Central Services	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.00	2.00	2.00
Administrative Information Technology										
Plant Operations and Maintenance	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	3.50	4.50
Pupil Transportation	12.00	12.00	12.00	14.00	14.00	16.00	17.00	17.00	17.00	17.00
Other Support Services	7.50	7.50	7.50	7.50	7.00	6.00	6.50	6.50	6.50	6.50
Special Schools										
Food Service	6.50	6.50	6.50							
Child Care										
Total	<u>110.00</u>	<u>109.00</u>	<u>110.00</u>	<u>104.50</u>	<u>104.00</u>	<u>99.00</u>	<u>102.50</u>	<u>102.00</u>	<u>101.50</u>	<u>103.00</u>

Source: District Personnel Records

SHORE REGIONAL HIGH SCHOOL DISTRICT

OPERATING STATISTICS

LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures<sup>a</sup></u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff<sup>b</sup></u>	<u>Pupil/Teacher Ratio Senior High School</u>	<u>Average Daily Enrollment (ADE)<sup>c</sup></u>	<u>Average Daily Attendance (ADA)<sup>d</sup></u>	<u>Percentage Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2006	723	11,963,966	12,597	2.03%	60	11.9	762.0	683	7.95%	89.63%
2007	723	12,765,265	13,440	6.69%	59	12.1	763.0	723	0.13%	94.76%
2008	730	14,481,361	13,371	-0.51%	60	12.2	753.2	723	-1.28%	95.99%
2009	715	14,727,935	14,726	10.13%	60	11.9	737.7	708	-2.06%	95.97%
2010	728	15,199,504	15,689	6.54%	60	12.1	675.7	646	-8.41%	95.58%
2011	698	14,799,673	15,276	-2.63%	54	12.9	657.1	631	-2.75%	95.98%
2012	671	14,417,132	14,881	-2.59%	56	12.0	646.7	624	-1.58%	96.47%
2013	659	15,208,152	15,697	5.49%	57	11.6	641.8	621	-0.76%	96.76%
2014	662	14,424,778	14,889	-5.15%	57	11.7	644.8	624	0.47%	96.77%
2015	621	14,387,567	14,850	-0.26%	56	11.1	605.5	586	-6.09%	96.78%

Source: District records

SHORE REGIONAL HIGH SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>District/Building</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
High School:										
Shore Regional High School (1969)										
Square Feet	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000	155,000
Capacity (Students)	716	716	716	716	716	716	716	716	716	716
Enrollment	723	723	730	730	728	698	671	659	662	651
Other:										
Athletic Building (2006)										
Square Feet										
Number of Schools at June 30, 2012										
Senior High School = 1										
Other = 1										

SHORE REGIONAL HIGH SCHOOL DISTRICT

SCHEDULE OF REQUIRED MAINTENANCE

LAST TEN FISCAL YEARS  
(UNAUDITED)

UNDISTRIBUTED EXPENDITURES - REQUIRED  
MAINTENANCE FOR SCHOOL FACILITIES  
11-000-261-xxx

\*School Facilities

	<u>Project # (s)</u>	<u>Shore Regional High School</u>	<u>Total</u>
2006	N/A	70,396.00	70,396.00
2007	N/A	96,918.72	96,918.72
2008	N/A	110,909.62	110,909.62
2009	N/A	165,468.00	165,468.00
2010	N/A	66,665.94	66,665.94
2011	N/A	70,104.82	70,104.82
2012	N/A	133,211.56	133,211.56
2013	N/A	182,508.96	182,508.96
2014	N/A	110,770.25	110,770.25
2015	N/A	123,349.73	123,349.73
Total School Facilities		<u>\$ 1,130,303.60</u>	<u>\$ 1,130,303.60</u>

\* School facilities as defined under EFCFA.  
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26-1.3)

Source: District records

## SHORE REGIONAL HIGH SCHOOL DISTRICT

Page 1 of 2

## INSURANCE SCHEDULE

JUNE 30, 2015  
(UNAUDITED)

	<u>Coverage</u>	<u>Deductible</u>
<b>Commercial Package Policy-MOCSSIF</b>		
Property-Blanket Building & Contents	\$ 38,176,953	\$ 5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Papers & Records	10,000,000	5,000
Computers	500,000	1,000
Equipment Breakdown	100,000,000	5,000
Environmental Package	1,000,000	10,000
<b><i>Electronic Data Processing:</i></b>		
Blanket Hardware/Software	500,000	1,000
Blanket Extra Expense	Included	
Coverage Extension:		
Terrorism	Included in Property	
<b><i>General Liability:</i></b>		
Bodily Injury & Property Damage	10,000,000	
Pesticide/Herbicide Applicators	250,000	
Employee Benefit Liability	10,000,000	1,000
Sexual Abuse/Child Molestation	10,000,000	
Mold Coverage	25,000	5,000
Terrorism	1,000,000	5,000
<b><i>Automotive Coverage</i></b>		
Combined Single Limit for Bodily Injury & Property Damage	31,000,000	
<b><i>Crime Coverage</i></b>		
Faithful Performance	250,000	1,000
Money & Securities	50,000	500
Forgery or Alteration	100,000	500
Money Orders/Counterfeit	10,000	500
Computer Fraud	100,000	1,000
Bond - Business Administrator	225,000	1,000

SHORE REGIONAL HIGH SCHOOL DISTRICT

INSURANCE SCHEDULE

JUNE 30, 2015  
(UNAUDITED)

	<u>Coverage</u>	<u>Deductible</u>
<b>Commercial Package Policy-MOCSSIF (cont'd)</b>		
<b><i>Boiler &amp; Machinery Coverage:</i></b>		
Combined Single Limit/Accident for Property		
Damage & Extra Exp.	\$ 100,000,000	\$ 5,000
Off Premises Property Damage	100,000	5,000
Extra Expenses	10,000,000	5,000
Service Interruption	10,000,000	5,000
Contingent Business Interruption	100,000	5,000
Perishable Goods	500,000	5,000
Data Restoration	100,000	5,000
Demolition	1,000,000	5,000
Ordinance or Law	1,000,000	5,000
Expediting Expense	500,000	5,000
Hazardous Substance	500,000	5,000
Newly Acquired Locations	250,000	5,000
<b>School Leaders Errors and Omissions Liability-MOCSSIF</b>		
Board of Education Liability/School Leaders Errors & Omissions	11,000,000	15,000
Employee Related Practices Violations	Included	
<b>Workers' Compensation-MOCSSIF</b>		
Professional	6,705,080	
Non-Professional	495,000	
<b>Student/Athletic Volunteer Accident-Peoples Benefit Life</b>		
All Students	5,000,000	
Catastrophic Cash	1,000,000	

**SINGLE AUDIT SECTION**

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
ROBERT A. HULSART, JR., C.P.A., P.S.A.  

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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER**  
**FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS**  
**BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED**  
**IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable President and Members  
of the Board of Education  
Shore Regional School District  
County of Monmouth  
West Long Branch, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Shore Regional Board of Education, County of Monmouth, State of New Jersey as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Shore Regional Board of Education, County of Monmouth, State of New Jersey's basic financial statements, and have issued our report thereon dated December 18, 2015.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Shore Regional Board of Education, County of Monmouth, State of New Jersey's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Shore Regional Board of Education, County of Monmouth, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Shore Regional Board of Education, County of Monmouth, State of New Jersey's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Shore Regional Board of Education, County of Monmouth, State of New Jersey's financial statements are free from material misstatement, we performed tests of it compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

*Robert A. Hulsart*

Licensed Public School Accountant  
No. 322  
Robert A. Hulsart and Company  
Wall Township, New Jersey

December 18, 2015

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
ROBERT A. HULSART, JR., C.P.A., P.S.A.  
RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED  
BY OMB CIRCULAR A-133**

Honorable President and Members  
of the Board of Education  
Shore Regional School District  
County of Monmouth  
West Long Branch, New Jersey

**Report on Compliance for Each Major Federal and State Program**

We have audited the Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's major federal and state programs for the year ended June 30, 2015. The Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and prescribed by the Office of School Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and OMB Circular A-133 and New Jersey OMB's Circular 04-04, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's compliance.

### *Opinion on Each Major Federal and State Program*

In our opinion, the Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2015.

### **Report on Internal Control Over Compliance**

Management of the Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the Shore Regional School District, County of Monmouth, State of New Jersey's internal control over compliance.

*A deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or, significant deficiencies. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

*Robert A. Hulsart*

Licensed Public School Accountant  
No. 322  
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Wall Township, New Jersey

December 18, 2015

SHORE REGIONAL SCHOOL DISTRICT

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal C.F.D.A. Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance June 30, 2014	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Balance at June 30, 2015		
			From	To							(Accounts Receivable)	Deferred Revenue	Due to Grantor
U.S. Department of Education:													
Passed Through State Department of Education:													
General Fund:													
Community Disaster Loan	97.030	N/A	9/1/2013	8/31/2014	\$ 821,424	\$ (821,424)		821,424	(821,424)		(821,424)		
U.S. Department of Education:													
Passed Through State Department of Education:													
Special Revenue Fund:													
NCLB:													
Title I Cluster:													
Title I	84.010	NCLB13	9/1/2014	8/31/2015									
Title I	84.010	NCLB14	9/1/2013	8/31/2014	21,890	(21,890)		21,890					
Title IIA	84.367A	NCLB13	9/1/2014	8/31/2015	15,102				(15,102)		(15,102)		
Title IIA	84.367A	NCLB14	9/1/2013	8/31/2014	14,599	(14,599)		14,599					
Special Education Cluster:													
IDEA:													
Part B - Basic	84.027	FT13	9/1/2014	8/31/2015	139,065				(135,777)		(135,777)		
Part B - Basic	84.027	FT14	9/1/2013	8/31/2014	137,504	(132,614)		132,614	(4,890)		(4,890)		
Total Special Revenue						(169,103)	-	169,103	(155,769)	-	(155,769)	-	-
Total Federal Financial Assistance						\$ (990,527)	-	990,527	(977,193)	-	(977,193)	-	-

See accompanying notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

**SHORE REGIONAL SCHOOL DISTRICT**

Schedule B  
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**SCHEDULE OF STATE FINANCIAL ASSISTANCE**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

State Grantor/Program State Department of Education:	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2014	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments/ Repayment of Prior Year Balances	Balance at June 30, 2015			MEMO		
			From	To						(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Total Cumulative Expenditures	
General Fund:															
Extraordinary Aid	15-495-034-5120-044	\$ 82,312	7/1/2014	6/30/2015	\$ -		(82,312)			(82,312)					82,312
Extraordinary Aid	14-495-034-5120-044	95,602	7/1/2013	6/30/2014	(95,602)	95,602									
Special Education Categorical Aid	14-495-034-5120-089	368,801	7/1/2014	6/30/2015		368,801	(368,801)					(35,263)		368,801	
Transportation Aid	14-495-034-5120-014	45,382	7/1/2014	6/30/2015		45,382	(45,382)					(4,341)		45,382	
Security Aid	14-495-034-5120-084	9,794	7/1/2014	6/30/2015		9,794	(9,794)					(937)		9,794	
Adjustment Aid	15-495-034-5120-085	2,702	7/1/2014	6/30/2015		2,702	(2,702)					(274)		2,702	
PARCC Readiness Aid	15-495-034-5120-098	6,310	7/1/2014	6/30/2015		6,310	(6,310)					(605)		6,310	
Per Pupil Growth Aid	15-495-034-5120-097	6,310	7/1/2014	6/30/2015		6,310	(6,310)					(605)		6,310	
Non Public Transportation	15-495-034-5120-014	1,041	7/1/2014	6/30/2015			(1,041)			(1,041)				1,041	
Non Public Transportation	14-495-034-5120-014	11,117	7/1/2013	6/30/2014	(11,117)	11,117									
Reimbursed TPAF S.S. Contr.	15-100-034-5095-002	454,313	7/1/2012	6/30/2013		434,155	(454,313)			(20,158)				454,313	
Reimbursed TPAF S.S. Contr.	14-100-034-5095-002	399,746	7/1/2013	6/30/2014	(19,042)	19,042									
<b>Total General Fund</b>					<b>(125,761)</b>	<b>-</b>	<b>999,215</b>	<b>(976,965)</b>	<b>-</b>	<b>(103,511)</b>	<b>-</b>	<b>-</b>	<b>(42,025)</b>	<b>976,965</b>	
Debt Service Fund															
Debt Service Type 11 Aid	15-495-034-5120	328,627	7/1/2014	6/30/2015		328,627	(328,627)							328,627	
Special Revenue Fund:															
N.J. Nonpublic Aid:															
Chapter 192:															
Compensatory Education	15-100-034-5120-067	19,528	7/1/2014	6/30/2015		19,528	(19,528)							19,528	
Chapter 193:															
Initial Exam and Classification	15-100-034-5120-066	5,040	7/1/2014	6/30/2015		5,040	(5,040)							5,040	
Annual Exam and Classification	15-100-034-5120-066	4,693	7/1/2014	6/30/2015		4,693	(4,693)							4,693	
Corrective Speech	15-100-034-5120-066	3,534	7/1/2014	6/30/2015		3,534	(3,534)							3,534	
Supplementary Instruction	15-100-034-5120-066	8,161	7/1/2014	6/30/2015		8,161	(8,161)							8,161	
Non-Public Technology	15-100-034-5120-373	2,240	7/1/2014	6/30/2015		2,240	(2,240)							2,240	
Non-Public Technology	14-100-034-5120-373	1,220	7/1/2013	6/30/2014	3					3					
Non-Public Textbooks	15-100-034-5120-064	4,171	7/1/2014	6/30/2015		4,171	(4,155)						16	4,155	
Non-Public Textbooks	14-100-034-5120-064	3,346	7/1/2013	6/30/2014	19					19					
Non-Public Nursing	14-100-034-5120-070	4,786	7/1/2013	6/30/2014	2					2					
Non-Public Nursing	15-100-034-5120-070	6,640	7/1/2014	6/30/2015		6,640	(6,640)							6,640	
<b>Total Special Revenue</b>					<b>24</b>	<b>-</b>	<b>54,007</b>	<b>(53,991)</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>53,991</b>	
<b>Total State Financial Assistance</b>					<b>\$ (125,737)</b>	<b>-</b>	<b>1,381,849</b>	<b>(1,359,583)</b>	<b>24</b>	<b>(103,511)</b>	<b>-</b>	<b>16</b>	<b>(42,025)</b>	<b>1,359,583</b>	

See accompanying Notes to Schedules of Federal Awards and State Financial Assistance.

**BOARD OF EDUCATION**

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**SHORE REGIONAL SCHOOL DISTRICT****NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE****JUNE 30, 2015****NOTE 1: General**

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Shore Regional School District. The Board of Education is defined in Note 1(A) to the Board's general-purpose financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**NOTE 2: Basis of Accounting**

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 3: Relationship to General Purpose Financial Statements**

The general-purpose financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes one or more state aid June payments in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(1212) for the general fund and \$0 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's general purpose financial statements on a GAAP basis as presented on the following page:

NOTE 3: Relationship to General Purpose Financial Statements

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Food Service</u>	<u>Total</u>
<b><u>State Assistance</u></b>					
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of State Financial Assistance	\$ 976,965	53,991	328,627		1,359,583
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized					
On Behalf Payments Recognized for GAAP Statements but Not Included in the Schedule of Expenditures of State Financial Assistance	751,611				751,611
The Last State Aid Payment Is Recognized as Revenue for Budgetary Purposes, and Differs from GAAP Which does not Recognize This Revenue Until the Subsequent Year When the State Recognizes the Related Expense (GASB 33)	(1,212)				(1,212)
Total State Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 1,727,364</u>	<u>53,991</u>	<u>328,627</u>		<u>2,109,982</u>

**NOTE 3: Relationship to General Purpose Financial Statements (Continued)**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Food Service</u>	<u>Total</u>
<b><u>Federal Assistance</u></b>					
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of Federal Awards	\$ 821,424	155,769			977,193
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized	_____	_____	_____	_____	_____
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances	<u>\$ 821,424</u>	<u>155,769</u>	_____	_____	<u>977,193</u>

**NOTE 4: Relationship to Federal and State Financial Reports**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**NOTE 5: Other**

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2015. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer’s share of social security contributions for TPAF members for the year ended June 30, 2015.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Part I - Summary of Auditor's Results

Financial Statement Section

Unmodified

(A) Type of auditor's report issued:

(B) Internal control over financial reporting:

1) Material weakness(es) identified?

Yes x No

2) Significant deficiencies identified that were not considered to be material weaknesses?

Yes x None Reported

(C) Noncompliance material to general purpose financial statements noted?

Yes x No

Federal Awards

Internal control over compliance:

1) Material weakness(es) identified?

Yes x No

2) Reportable condition(s) identified that are not considered to be material weaknesses?

Yes x None Reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?

Yes x No

Identification of major programs:

CFDA Number(s)

97.030

Name of Federal Program or Cluster

Community Disaster Loan

Dollar threshold used to distinguish between type A and type B programs:

\$300,000

Auditee qualified as low-risk auditee?

Yes x No

**SHORE REGIONAL SCHOOL DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**K-6**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

*Part I - Summary of Auditor's Results (Continued)*

**State Awards Section**

- (D) Dollar threshold used to determine Type A programs: \$300,000
- (E) Auditee qualified as low-risk auditee?            Yes   x   No
- (F) Internal control over major programs:
  - (1) Material Weakness(es) identified?            Yes   x   No
  - (2) Significant Deficiencies identified that were not considered to material weaknesses?            Yes   x   No
- (G) Type of auditor's report on compliance for major programs: Unmodified
- (H) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB's Circular 04-04?            Yes   x   No
- (I) Identification of major programs:

**GMIS Number(s)**

**Name of State Program**

<u>15-495-034-5120-089</u>	<u>Special Education Categorical Aid (Public Cluster)</u>
<u>15-495-034-5120-084</u>	<u>Security Aid (Public Cluster)</u>
<u>15-495-034-5120-085</u>	<u>Adjustment Aid (Public Cluster)</u>
<u>15-495-034-5095-002</u>	<u>TPAF Social Security Contributions</u>
<u>15-495-034-5120-098</u>	<u>PARCC Readiness Aid (Public Cluster)</u>
<u>15-495-034-5120-097</u>	<u>Per Pupil Growth Aid (Public Cluster)</u>

SHORE REGIONAL SCHOOL DISTRICTSCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2015*Part II - Schedule of Financial Statement Findings*

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the general purpose financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 *Government Auditing Standards*.

Finding: No matters were reported.

Criteria or specific requirement: N/A

Condition: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Views of Responsible Officials and Planned Corrective Actions:

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Part III - State Financial Assistance Findings and Questioned Costs*

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular Letter 04-04.

**STATE AWARDS**

Finding: No matters were reported.

Information on the State Program: N/A

Criteria or specific requirement:

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause:

Recommendation: N/A

Management's response: N/A

**SHORE REGIONAL SCHOOL DISTRICT**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

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**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Prior Audit Findings:**

None